



Broadcasting Decision CRTC 2008-278

Ottawa, 3 October 2008

591991 B.C. Ltd.

Montmagny and Québec, Quebec

Application 2008-0792-7, received 6 June 2008

Broadcasting Public Notice CRTC 2008-59

8 July 2008

CFEL-FM Montmagny – Technical change and licence amendment

*The Commission **approves** the application by 591991 B.C. Ltd., a subsidiary of Corus Entertainment Inc. (Corus), to move the transmitter of its radio station CFEL-FM from its current location in L'Ange-Gardien to a new site in Québec.*

*The Commission also **approves** the licensee's request to amend its licence by deleting the condition relating to maintaining Corus facilities in Montmagny and modifying the condition relating to Canadian talent development.*

Introduction

1. The Commission received an application by 591991 B.C. Ltd., a subsidiary of Corus Entertainment Inc. (Corus), to move the transmitter for its French-language commercial radio programming undertaking CFEL-FM from its current location in L'Ange-Gardien to a new site in Québec, Quebec.
2. The licensee also requested an amendment to its broadcasting licence to delete the condition of licence relating to maintaining facilities in Montmagny.
3. Following this technical change, CFEL-FM would no longer serve the Montmagny radio market. The station would instead target listeners in the market of Lévis and Québec. The maximum effective radiated power would be reduced to 26,500 watts and the new effective height of antenna above average terrain would be 157.5 metres. The proposed technical change would also considerably increase the size of the station's market.
4. The licensee indicated that moving the transmitter would allow it to better serve the market of Lévis and Québec. It added that if the Commission approved the proposed technical change, CFEL-FM's studios in Montmagny would be moved to Lévis.

5. The licensee also requested an amendment to the station's condition of licence relating to Canadian talent development (CTD) set out in Broadcasting Decision 2006-350. The licensee specifically proposed to replace the graduate scholarship for the École de radio de Montmagny with contributions to the following recipients:
 - 2007-2008 – Les Arts de la scène de Montmagny; and
 - 2008-2009 – Diffusion culturelle de Lévis.
6. The licensee noted that the École de radio de Montmagny no longer exists, making it impossible for the licensee to continue its contributions.
7. The licensee also indicated that the 2007-2008 contribution to the Secondaire en spectacle initiative could not be made because it was too late in the school year. Corus therefore proposed to devote the sum reserved for Secondaire en spectacle to Diffusion culturelle Lévis for the 2007-2008 broadcasting year only.
8. The Commission received an intervention providing general comments by Astral Media Radio inc. (Astral) and an intervention opposing the application from Cogeco Diffusion (Cogeco). The interventions and the licensee's reply are available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

Commission's analysis

9. After considering the application, interventions and the licensee's reply to interventions, the Commission finds that the following issues should be addressed in this decision:
 - Should the Commission consider the Corus application as an application to operate a new station serving a new market?
 - Would approval of this application have an undue negative impact on the Québec radio market?

Should the Commission consider the Corus application as an application to operate a new station serving a new market?

10. The interveners submitted that the interests of the public and the Canadian broadcasting system would be better served if Corus's application was considered in the context of a call for applications for licences to serve the Québec radio market. According to them, CFEL-FM is currently authorized to serve the Lévis market and the Chaudière-Appalaches region, not the Québec market.
11. The Commission has carefully considered the interventions and the applicant's reply. It notes, however, that coverage of the Québec central market was already approved in Broadcasting Decision 2006-350. In that decision, the Commission approved a service area that includes part of Québec and its surrounding areas and concluded that the station could be considered as serving the Québec market, which includes Lévis. Consequently, the interveners' allegation that CFEL-FM will gain access on an equal basis to the Québec market is incorrect.

Would approval of this application have an undue negative impact on the Québec radio market?

12. The interveners agreed that approval of the application could have an undue negative impact on the Québec radio market. Specifically, Cogeco indicated that, in its view, the entry of the Corus station into the Québec market would only exacerbate the already precarious financial situation experienced by several stations in this market. Astral was of the view that Corus's revenue growth projections are clearly under stated.
13. The Commission notes that the technical changes approved in 2006 did not have a substantial impact on the listenership of stations in the Québec central market. According to spring 2008 BBM Canada data, CFEL-FM captured 0.4% of listening in the market, compared with 0.1% in the spring of 2006 and that of 2007.
14. In view of CFEL-FM's low market share in the Québec central market and the relatively low anticipated additional advertising revenues that it would earn in the Québec market, the Commission is of the view that the proposed relocation of CFEL-FM's transmitter from its current site in L'Ange-Gardien to a site in the Québec central market will have only a limited impact on Québec's existing stations.

Conclusion

15. In light of the foregoing, the Commission **approves** the application by 591991 B.C. Ltd., a subsidiary of Corus Entertainment Inc., to move the transmitter for its French-language commercial radio programming undertaking CFEL-FM from its current location in L'Ange-Gardien to a new site in Québec.
16. The Commission also **approves** Corus's request to delete the condition of licence requiring it to maintain its facilities in Montmagny.
17. Finally, the Commission **approves** Corus's request to amend the condition of licence relating to TD by replacing the graduate scholarship for the École de radio de Montmagny with two other recipients – Les Arts de la scène de Montmagny for 2007-2008 and Diffusion culturelle de Lévis for 2008-2009. The contribution to be allocated to Secondaire en spectacle for 2007-2008 will also be allocated to Diffusion culturelle de Lévis, but only for the year 2007-2008.
18. The Department of Industry (the Department) has advised the Commission that while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.
19. The Commission reminds the licensee that, pursuant to section 22(1) of the *Broadcasting Act*, this authority will only be effective when the Department notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

20. The transmitter must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 3 October 2010. In order to ensure that such a request is processed in a timely manner, it should be submitted in writing at least 60 days before that date.

Secretary General

Related documents

- *CFEL-FM Montmagny – Technical change*, Broadcasting Decision CRTC 2006- 350, 10 August 2006
- *CKNU-FM Donnacona and CKNU-FM-1 Sainte-Croix-de-Lotbinière – Licence renewal and amendment*, Broadcasting Decision CRTC 2006-349, 10 August 2006

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>.