



## Broadcasting Decision CRTC 2020-369

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Reference: Part 1 application posted on 11 November 2019

Ottawa, 9 November 2020

### **Carlsbad Springs Community Association**

Carlsbad Springs and Embrun, Ontario

*Public record for this application: 2019-1145-4*

### **CJRO-FM Carlsbad Springs – New transmitter in Embrun**

*The Commission **approves** an application for a new low-power transmitter in Embrun to rebroadcast the programming of the English- and French-language community radio station CJRO-FM Carlsbad Springs, Ontario.*

#### **Background**

1. In Broadcasting Decision 2019-133, the Commission approved an application by Carlsbad Springs Community Association (CSCA) for a low-power English- and French-language community radio station in Carlsbad Springs, Ontario, with a low-power rebroadcasting transmitter in Vars, Ontario. The new station was to replace CSCA's exempt tourist radio station. According to the Commission's records, the new community radio station and the transmitter in Vars began operations on 11 January 2020.

#### **Application**

2. CSCA filed an application to amend the broadcasting licence for the English- and French-language community radio station CJRO-FM Carlsbad Springs, Ontario, to add a low-power FM rebroadcasting transmitter in Embrun, Ontario.
3. The transmitter would operate at 107.7 MHz (channel 299LP) with an effective radiated power of 40 watts (non-directional antenna with an effective height of the antenna above average terrain of 69 metres).

4. CSCA submitted that the new transmitter is necessary for the long-term viability of CJRO-FM since its limited signal in Carlsbad Springs and Vars prevents it from selling advertising in Embrun, an area 18 kilometres south of its authorized broadcast area. The licensee stated that, as a result, it must rely heavily on the area of south-east rural Ottawa to provide the greater part of its revenues, which could become unsustainable in the long run. CSCA further stated that, as part of its proposal for the original licensing application approved in Broadcasting Decision 2019-133, it had budgeted for one bilingual news reporter to provide both the English- and French-language news for the station. However, it found that it needed to take on the unexpected cost of hiring two news reporters, one to provide news in each language.
5. CSCA indicated that it has received support from residents and businesses in Embrun who have stated that there is a lack of local radio service in that community, and that they would like CJRO-FM to fill that void. To that end, the Russell Township, of which Embrun is a part, would provide at no cost a site for the transmitter and the antenna at the Embrun city hall, as well as free access to hydroelectricity and an Internet connection for the equipment. The licensee stated that CJRO-FM would also solicit volunteers from the nearby Village of Russell who could become part of their volunteer team to contribute and help produce additional community radio programming in English and in French.
6. The Commission received three interventions in support of this application, two from individuals and one from the National Campus and Community Radio Association.

### **Commission's analysis**

7. The Commission has the authority, pursuant to section 9(1) of the *Broadcasting Act* (the Act), to issue licences for such terms not exceeding seven years and subject to such conditions related to the circumstances of the licensee as it deems appropriate for the implementation of the broadcasting policy set out in section 3(1) of the Act, as well as to amend those conditions on application of the licensee.
8. When a licensee of a radio station files an application for a technical amendment, the licensee is expected to present compelling technical or economic evidence justifying the technical changes. The Commission may, as an exception to this general approach, approve applications that do not provide compelling technical or economic evidence where the particular circumstances of the licensee warrant.

9. Given this expectation, and after examining the information provided on the public record for this application in light of the applicable regulations and policies, the Commission considers that the issues it must address relate to the following:
  - whether the applicant demonstrated a compelling technical or economic need for the new transmitter; and
  - whether an exception to the Commission's general approach to technical amendments is warranted in this case.

#### **Technical and economic need**

10. The applicant did not argue that the new transmitter was necessary to ensure that it adequately served its existing market in a technically acceptable manner. Rather, the application was rather predicated on expanding its service area to include Embrun.
11. CSCA stated that the proposed amendment is necessary to ensure the financial viability of CJRO-FM.
12. The Commission notes that CJRO-FM has been on the air as a community station for less than a year. It therefore considers that there is insufficient historical data available to support its projections and to demonstrate economic need. Further, it is not uncommon for radio services to incur losses during their first licence terms.
13. Accordingly, the Commission finds that CSCA has not demonstrated a compelling technical or economic need for the proposed transmitter.

#### **Exception to the Commission's general approach**

14. While the applicant did not demonstrate economic need for the amendment based on historical data, the licensee has encountered unexpected costs in setting up its station. The additional revenue from Embrun would help ensure that CJRO-FM serves the needs of its listeners.
15. The proximity of the transmitters in Carlsbad Springs, Vars and Embrun would allow CJRO-FM to provide community radio service to a combined rural area with common interests as well as locally oriented programming not provided by other radio stations in Ottawa-Gatineau. Embrun does not currently have a local radio service, and the addition of the proposed rebroadcasting transmitter would allow for local bilingual news and community events to be made available to the community through the addition of Embrun-based programming provided by CJRO-FM Carlsbad Springs. Strong support for the service is demonstrated by the fact that Russell Township, of which Embrun is a part, would provide at no cost a site for the transmitter and the antenna at the Embrun city hall, as well as free access to hydroelectricity and an Internet connection for the equipment. Given the wide support, presence of local programming, and lack of opposing interventions, the Commission does not consider that the addition of the transmitter through a licence amendment undermines the original licensing process for CJRO-FM.

16. The applicant projects that about 65% of its local advertising revenues would be garnered from Russell Township if the new transmitter is approved. These projected revenues represent a negligible amount of the Ottawa-Gatineau market's total local advertising revenues in 2019. Further, there were no opposing interventions from operators of radio stations in Ottawa-Gatineau. The Commission therefore considers that the new transmitter would not have an undue negative effect on existing radio stations.
17. In light of all of the above, given the particular circumstances of the present case, the Commission is satisfied that an exception to the Commission's general approach in regard to technical changes is appropriate in this case.

### **Ownership and management**

18. The Campus and Community Radio Policy set out in Broadcasting Regulatory Policy 2010-499 states that a community radio station must be owned, operated, managed and controlled by a not-for-profit organization that provides for membership, management, operation and programming primarily by members of the community served.
19. Currently, the CSCA bylaws limit voting members to persons who reside in Carlsbad Springs. To ensure that the Embrun community is represented in all aspects of the CJRO-FM's operation, CSCA indicated that it would:
  - seek two additional community members for its programming committee to represent the interest and the residents of Embrun; and
  - amend its bylaws to allocate two positions on the CSCA's Executive Committee (i.e., Board of Directors) to Embrun residents. These positions will have voting authority for all items that relate to CJRO-FM radio operations, such as funding, programming as well as all other broadcasting operations and decisions.
20. After reviewing the applicant's proposal, as well as the draft amendments to its bylaws, the Commission is satisfied that members of the Embrun community will be represented and involved in the operations, management and control of CJRO-FM.
21. The licensee is required to submit an updated list of programming committee members and an updated list of the board of directors. The licensee is also required to submit amended bylaws reflecting the proposed changes.

### **Conclusion**

22. In light of all the above, the Commission **approves** the application by Carlsbad Springs Community Association to amend the broadcasting licence for the English- and French-language community radio programming undertaking CJRO-FM Carlsbad Springs to add a low-power FM rebroadcasting transmitter in Embrun.

23. Pursuant to section 22(1) of the Act, this authority will be effective only when the Department of Industry (the Department) notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.
24. The Department's *BPR-3: Application Procedures and Rules for FM Broadcasting Undertakings* specifies that a low-power FM rebroadcasting transmitter is considered a secondary assignment operating on an unprotected channel. Should an FM station or transmitter with protected status be granted a frequency that is incompatible with that used by the low-power transmitter considered in this decision, the licensee may need to cease the operation of that low-power transmitter or file an application to change its frequency and/or technical parameters.
25. The transmitter must be in operation by no later than **9 November 2022**. To request an extension, the licensee must submit a written request to the Commission at least 60 days before that date, using the form available on the Commission's website.
26. The Commission **directs** the licensee to submit complete executed bylaws with the proposed amendments, an updated list of programming committee members, and an updated list of the board of directors within 30 days of its next annual general meeting and no later than **17 December 2021**.

Secretary General

### **Related documents**

- *Community radio station in Carlsbad Springs*, Broadcasting Decision CRTC 2019-133, 7 May 2019
- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010

*This decision is to be appended to the licence.*