



Canadian Association of Broadcasters
Association canadienne des radiodiffuseurs

June 25, 2008

Via Epass

Mr. Robert A. Morin
Secretary General
Canadian Radio-television and
Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Dear Mr. Morin:

Re: Broadcasting Public Notice CRTC 2008-46, Item 1: Application by Saskatchewan Telecommunications (SaskTel) to renew the Class 1 licence of its terrestrial broadcasting distribution undertaking (BDU) serving various locations in Saskatchewan

1. The Canadian Association of Broadcasters (CAB) is the national voice of Canada's private broadcasters, representing the vast majority of Canadian programming services, including private radio and television stations, networks, specialty, pay and pay-per-view services. The goal of the CAB is to represent and advance the interests of Canada's private broadcasters in the social, cultural and economic fabric of the country.
2. The CAB is pleased to submit these comments concerning the above-noted licence renewal application by SaskTel.

The need to ensure consistency with the new BDU framework during the next licence term

3. The Commission recently reviewed the overall regulatory framework applicable to all BDUs in the context of a very comprehensive public proceeding on the distribution of programming services.
4. A number of important issues related to the BDU framework were canvassed during that proceeding. These included matters such as: the size and composition of the basic service; guidelines respecting the placement and grouping of basic service channels to avoid isolating individual basic channels in the midst of discretionary packages; revised policies respecting the distribution of distant Canadian and non-Canadian over-the-air services; the

incorporation of audit requirements and enhanced notification requirements in the *Broadcasting Distribution Regulations* (BD Regulations); and so on.

5. Within the next few months the Commission is expected to issue its policy findings, to be followed by a further process to determine the implementation details. The end result is expected to be revised policies and new BD Regulations governing the distribution of programming services, both Canadian and non-Canadian.
6. In this context, it is essential that the Commission not take any action as part of this licence renewal process that would have the effect of superseding the upcoming BDU framework determinations or exempting SaskTel from the application of that new framework.
7. In this regard, we note that SaskTel has applied for various conditions of licence that would be in effect for at least the first five years of the proposed new licence term.¹ **The CAB submits that, in making decisions on this licence renewal application and imposing new conditions of licence, the Commission should do so in a manner that will allow it to review and revise, as required, those conditions of licence that are inconsistent with the new BDU framework to be established by the Commission.**

The distribution of multiple sets of US 4+1 signals

8. The CAB has reviewed the detailed channel listings for SaskTel's BDU. The CAB submits that the Commission must ensure that SaskTel is and remains in full compliance with the Commission's established policies respecting the distribution of a first and second set of US 4+1 signals.
9. On the basic service, SaskTel distributes a set of US 4+1 signals originating from Boston (with the exception of the CBS station which originates in Minneapolis). In one of its discretionary theme packages, SaskTel distributes a second set of the four US commercial network signals originating from Seattle. Finally, as part of its HD digital service, SaskTel distributes a complete set of HD US 4+1 signals originating in Boston, and HD versions of the four US commercial networks originating in Seattle.
10. BDUs are generally permitted to distribute two distinct sets of US 4+1 signals, the first set as part of the basic service and the second set as part of the optional digital service. Commission policy also permits the distribution of the upgraded HD versions of the SD US 4+1 services, provided that not less than 95% of the video and audio components of the HD and SD versions of the service are the same, exclusive of the commercial messages and of any part of the service carried on a subsidiary signal.² It appears that, with one exception,

¹ Pursuant to s. 9(1)(c) of the *Broadcasting Act*, the Commission may not amend a condition of licence on its own motion until five years have expired since the issuance or renewal of a licence.

² Broadcasting Public Notice CRTC 2003-61 *The regulatory framework for the distribution of digital television signals*, paragraph 72.

SaskTel's distribution of SD US 4+1 signals from Boston and Seattle, plus the HD versions of those same signals, is generally consistent with this policy.

11. The one exception is the choice of CBS stations by SaskTel, given that these particular signals originate from three separate markets – Minneapolis, Boston and Seattle. The CAB submits that this is contrary to the Commission's established policy, which permits the carriage of the signals of any given US network, whether SD or HD, from no more than two different markets.
12. Furthermore, the CAB notes that SaskTel has applied to amend the condition of licence which authorizes the distribution of specific US 4+1 signals on the basic service. The proposed amendment would give SaskTel the option, for each US 4+1 network signal authorized for distribution on the basic service, to replace it with a different affiliate of the same network located in the same time zone as SaskTel's licensed service area.
13. The CAB does not oppose this amendment in principle; indeed, the CAB believes that BDUs should generally be expected to distribute the first set of US 4+1 signals from a market in the same time zone as local Canadian stations, in order to maximize opportunities for simultaneous substitution. In doing so, however, the CAB submits that SaskTel must also ensure that its HD US 4+1 signals must be the upgraded versions of the SD US 4+1 signals it distributes, in accordance with Commission policy, and not originating from different markets.
14. **The CAB urges the Commission to confirm its policy with respect to the distribution of multiple sets of US 4+1 signals, including SD and HD signals, and to ensure that SaskTel fully complies with this policy.**
15. The CAB appreciates the opportunity to participate in this licence renewal proceeding.

All of which is respectfully submitted this 25th day of June, 2008.

Sincerely,

Original signed by:

Jay Thomson
Vice-President, Regulatory and Policy

c.c. Saskatchewan Telecommunications (Email: document.control@SaskTel.sk.ca)

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