



Broadcasting Decision CRTC 2006-386

Ottawa, 22 August 2006

Cogeco Cable Quebec Inc.

Alma, Baie Comeau, Drummondville, Louiseville, Magog, Rimouski, Sainte-Adèle, Saint-Georges-de-Beauce, Saint-Hyacinthe, Sept-Îles, Thetford Mines, Trois-Rivières, Valleyfield; Grand-Mère, Nicolet, Roberval, Sainte-Agathe-des-Monts, Saint-Jovite/Mont-Tremblant; Acton Vale, Bécancour (Gentilly sector), Danville, Daveluyville, Lac Carré, Notre-Dame-du-Bon-Conseil, Rivière Beaudette, Saint-Anicet, Saint-Benoît-Labre, Sainte-Anne-des-Lacs, Sainte-Gertrude, Saint-Léonard d'Aston, Saint-Prosper-de-Dorchester, Saint-Théodore-D'Acton, Saint-Théophile and Valcourt, Quebec

Application 2006-0167-6

Public Hearing at Edmonton, Alberta

19 June 2006

Distribution of additional signals on a discretionary digital basis

*The Commission **approves** the application by Cogeco Cable Quebec Inc. to distribute, on a discretionary digital basis, on its Class 1 and 2 cable broadcasting distribution undertakings (BDUs), a second set of 4+1 U.S. network signals and any of the Canadian television signals set out in the List of Part 3 eligible satellite services, subject to certain conditions.*

*The Commission also **approves** the application by Cogeco Cable Quebec Inc. to distribute, on a discretionary digital basis, on its Class 3 cable BDUs, a second set of 4+1 U.S. network signals, subject to certain conditions.*

The application

1. The Commission received an application by Cogeco Cable Quebec Inc. (Cogeco), to distribute on its Class 1, 2 and 3 cable broadcasting distribution undertakings (BDUs) serving the above-mentioned localities the following services on a discretionary digital basis:
 - a) a second set of 4+1¹ U.S. network signals, which will be selected from the *List of Part 3 eligible satellite services* (the List);²
 - b) any of the Canadian television signals set out in the List.

¹ A set of signals that provides the programming of the four U.S. commercial networks (CBS, NBC, ABC, FOX) and of the non-commercial network (PBS) are collectively referred to as the U.S. 4+1 signals.

² The *List of Part 3 eligible satellite services* is available under Appendix B of *Revised lists of eligible satellite services*. The revised lists are available on the Commission's website at www.crtc.gc.ca under "Industries at a Glance".

Interventions

2. The Commission received one comment from the Canadian Association of Broadcasters (CAB), which stated that the proposed carriage of signals should be approved only if Cogeco is required to adhere to the provisions of section 43 of the *Broadcasting Distribution Regulations* regarding non-simultaneous program deletion. Additionally, the CAB stated that the Commission could suspend these program deletion requirements only upon approval of an agreement between Cogeco and the CAB as it pertains to the protection of program rights.
3. Cogeco did not respond to the CAB's comments.

Commission's analysis and determinations

4. The Commission considers that the carriage, on a discretionary digital basis, of Canadian signals provided for in the List and of an additional set of U.S. commercial signals, when coupled with other initiatives such as the carriage of newly licensed Canadian digital services, could serve as an incentive for cable customers to subscribe to the digital service offerings of cable undertakings. The distribution of such services would also increase the choice available to cable subscribers.
5. In *Carriage of Canadian and U.S. 4+1 signals on a digital basis*, Decision CRTC 2000-437, 8 November 2000, the Commission also recognized the need to protect the program rights acquired by local broadcasters, when authorizing the distribution of such signals.
6. Accordingly, for its Class 1 and Class 2 BDUs, the Commission **approves** the application by Cogeco Cable Quebec Inc. to distribute, on a discretionary digital basis, a second set of 4+1 U.S. network signals and any of the Canadian television signals set out in the List, so long as the licensee complies with the following:

The distribution on a discretionary basis on the licensee's digital service of U.S. 4+1 signals, in addition to the set of such signals already carried by the system, and of Canadian television signals provided for in the List, is subject to the provision that, with respect to such signals, the licensee adhere to the requirements regarding non-simultaneous program deletion set out in section 43 of the *Broadcasting Distribution Regulations*. The Commission may suspend the application of this provision in respect of the signals to be distributed, upon its approval of an executed agreement between the licensee and broadcasters. Such an agreement must deal with issues related to the protection of program rights arising in connection with the discretionary carriage of a second set of U.S. 4+1 signals and of distant Canadian television signals solely on the licensee's digital service.

The Commission reminds the licensee that the simultaneous substitution requirements, as set out in section 30 of the *Broadcasting Distribution Regulations*, also apply with respect to the U.S. 4+1 signals and distant Canadian television signals.

7. The Commission notes that Class 3 undertakings already have the authority to distribute signals from the List. Therefore, for its Class 3 BDUs, the Commission **approves** the application by Cogeco Cable Quebec Inc. to distribute, on a discretionary digital basis, a second set of 4+1 U.S. network signals, so long as the licensee complies with the following:

The distribution on a discretionary basis on the licensee's digital service of U.S. 4+1 signals, in addition to the set of such signals already carried by the system is subject to the provision that, with respect to such signals, the licensee adhere to the requirements regarding non-simultaneous program deletion set out in section 43 of the *Broadcasting Distribution Regulations*. The Commission may suspend the application of this provision in respect of the signals to be distributed, upon its approval of an executed agreement between the licensee and broadcasters. Such an agreement must deal with issues related to the protection of program rights arising in connection with the discretionary carriage of a second set of U.S. 4+1 signals solely on the licensee's digital service.

Secretary General

This decision is to be appended to each 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>