



## Broadcasting Notice of Consultation CRTC 2009-411-3

Additional references: 2009-70, 2009-70-1, 2009-70-2, 2009-113, 2009-113-1, 2009-113-2, 2009-411, 2009-411-1 and 2009-411-2

Ottawa, 11 August 2009

### Notice of hearing

**16 November 2009**  
**Gatineau, Quebec**

### **Policy proceeding on a group-based approach to the licensing of television services and on certain issues relating to conventional television**

### **Clarification on the scope of the proceeding – negotiated fair value for local conventional television signals**

### **Change of date of the public hearing and extension of the deadline for comments.**

**Date of hearing: 16 November 2009**

**Deadline for submission of interventions/comments: 14 September 2009**

1. In Broadcasting Notice of Consultation 2009-411-2, the Commission extended the deadline for filing written comments to 17 August 2009 in light of the fact that it required time to consider the implications of litigation filed by Bell Canada and related companies in the Federal Court of Appeal on the current proceeding. The Commission also indicated that it intended to issue an amended Broadcasting Notice of Consultation, if appropriate, on or before 14 August 2009.
2. In paragraph 37 of Broadcasting Notice of Consultation 2009-411, the Commission states that:

[t]he Commission is now of the view that a negotiated solution for compensation for the free market value of local conventional television signals is also appropriate.
3. Given the concerns raised by Bell Canada and its related companies, as described in Notice of Consultation 2009-411-2, and wanting to remove any lingering doubts as to the validity of its process and decisions, the Commission will proceed with an examination *de novo* of the question of whether or not the Commission should put in place a regime for the establishment of fair value for local conventional television signals. This examination will take place during the current proceeding.
4. As such, the Commission amends paragraphs 37 to 39 of Broadcasting Notice of Consultation 2009-411 to read (changes in bold):

37. In Broadcasting Public Notice 2007-53 and again in Broadcasting Public Notice 2008-100, the Commission elected not to grant fee for carriage to conventional broadcasters but did provide broadcasters with the right to negotiate the terms under which their distant signals will be retransmitted. **The Commission considers that it is appropriate, in the context of the present proceeding, to consider whether or not a negotiated solution for the compensation for the fair value of local conventional television signals is also appropriate, and is seeking comment on this question.**
38. The Commission expects that **negotiations for distant conventional television signals, and for conventional local television signals, should the Commission decide that the latter is appropriate,** will be completed before the long-term renewal of licences and that they will take place in a way that ensures that Canadians will not lose access to programming services. **In the absence of a negotiated agreement or agreements, the Commission is considering what strategies and procedures are most likely to contribute to and/or ensure a timely resolution of negotiations and is seeking comment on this issue as well.**
39. The Commission is now seeking comment on what mechanism should be used for establishing a negotiated fair value for **distant conventional signals, as well as local conventional signals, should the Commission find that the latter is appropriate.** To that end, the Commission is seeking responses, with detailed rationale and supporting evidence, for the following questions:
- a) What regulatory measures are needed to facilitate fair negotiations?
  - b) What methodology and criteria should be used for determining the fair market value of a conventional signal?
  - c) Are there any other considerations that the Commission should take into account?
  - d) What safeguards need to be established so that the negotiations are successful and are restricted to the issue of a negotiated fair market value for the conventional signal being distributed?
  - e) What is the appropriate method, if required, to achieve resolution through binding arbitration?

5. In order to permit interested parties sufficient time to adapt their comments to reflect these new considerations, the Commission extends the deadline for filing written comments on this and all other issues described in Broadcasting Notice of Consultation 2009-411, to **14 September 2009**. As a result, the hearing will now commence on **16 November 2009**.

6. All other aspects of Broadcasting Notice of Consultation 2009-411, including the other issues described therein, remain unchanged.

Secretary General

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