



## Broadcasting Decision CRTC 2006-549

Ottawa, 22 September 2006

**Houssen Broadcasting Ltd.**  
Moncton, New Brunswick

*Application 2005-1588-5*  
*Broadcasting Public Notice CRTC 2006-63*  
*19 May 2006*

### **CKOE-FM Moncton – Technical change**

*The Commission **denies** the application to change the authorized contours of CKOE-FM Moncton.*

#### **The application**

1. The Commission received an application by Houssen Broadcasting Ltd. (Houssen) to change the authorized contours of the radio programming undertaking CKOE-FM Moncton by increasing the average effective radiated power from 50 watts to 725 watts, by relocating the transmitter to a location northeast of its present site and by reducing<sup>1</sup> the antenna height from 141 metres to 112 metres.
2. CKOE-FM is a low-power radio station that provides a Christian music service designed to appeal primarily to youth.
3. In its application, Houssen indicated that the proposed technical amendments would allow it to solicit advertising on an equal footing with other stations in the Moncton market. Moreover, Houssen stated that it was not adequately serving the Moncton community given that its signal does not extend to the rural areas of Moncton.

#### **Background**

4. In *CKOE-FM Moncton – Licence amendment*, Broadcasting Decision CRTC 2003-498, 7 October 2003, the Commission denied an application by Houssen to amend the broadcasting licence for CKOE-FM by changing the station's authorized contours by changing the frequency from 100.9 MHz (channel 265LP) to 107.3 MHz (channel 297A), increasing the effective radiated power from 50 watts to 2,800 watts and by relocating the transmitter. In that decision, the Commission indicated that "when a licensee of a low-power radio station files an application to change its operating class to that of a higher-powered, protected station, it should present compelling evidence that its authorized technical parameters are not adequate to provide the service as it was

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<sup>1</sup> The application requests a reduction in the antenna height, rather than an increase, as was set out in Broadcasting Public Notice 2006-63, 19 May 2006.

originally proposed.” The Commission found that CKOE-FM’s authorized technical parameters were adequate and commensurate with those of the low-power service that Houssen had originally proposed. In the Commission’s view, the applicant did not present compelling evidence of either an economic or technical need for the proposed changes to the CKOE-FM signal.

### **Interventions**

5. The Commission received numerous interventions in support of this application and one intervention by the Canadian Association of Broadcasters (CAB) raising concerns about the application.
6. The CAB indicated that the increase in power proposed by Houssen raised a number of concerns with respect to the Commission’s licensing policy for low-power radio. The CAB stated that in its view, the purpose of the Houssen application is to reach more potential listeners outside its authorized service area and not to improve the quality of its signal. The CAB further stated that should this application be granted, it would effectively allow Houssen to bypass the competitive process and use a “low-cost stepping stone” to achieve full-power commercial FM status. The CAB stated that applications submitted by the licensees of low-power FM stations to increase their authorized contours and assume protected status should be treated as applications for new commercial radio services that, depending on the market, may trigger a call for competing applications.

### **Applicant’s reply**

7. In reply to the intervention by the CAB, Houssen indicated that it had applied for a broadcasting licence for a low-power FM service rather than for a protected full-power FM service at the time of its original application for a broadcasting licence because of its relative inexperience with radio. Houssen added that it was now submitting an application for a technical amendment rather than an application for a new full-power FM radio undertaking because it was of the belief that the procedural difference between the two approaches was based solely on the selection and submission of either application form.
8. According to Houssen, it wished to extend its service to Moncton’s rural communities because these outlying areas do not have the population to support their own distinct Christian music based radio service. Houssen also indicated that it wanted to provide a fully adequate and receivable service able to penetrate office buildings in Moncton’s central business district.
9. Houssen stated that it has been difficult to attain the level of revenues required to make CKOE-FM a financial success. Houssen argued that by attaining protected status, it would be able to offer a high quality radio service, which in turn would allow Houssen to increase its staff, establish links with the community and maintain locally relevant programming.

## Commission's analysis and determination

10. The Commission notes that CKOE-FM is currently licensed as a low-power unprotected FM service and that approval of the present application would change its operating class to that of a high-power service that has protected status under the Department of Industry's rules. As noted above, the Commission expects that, when a licensee of a low-power radio station files an application to change its operating class to that of a higher powered, protected station, it should present compelling evidence that its authorized technical parameters are not adequate to provide the service as it was originally proposed.
11. The Commission notes the applicant's difficulties in attaining the level of revenues required to make CKOE-FM a financial success. Furthermore, the Commission notes that in *Application to broadcast commercial messages on CKOE-FM*, Broadcasting Decision CRTC 2002-195, 17 July 2002, it approved an application by Houssen for a licence amendment to permit it to broadcast commercial messages on CKOE-FM, in order to assist the service in achieving financial stability.
12. Furthermore, the Commission notes that the service contours proposed by the applicant would far exceed the boundaries of the City of Moncton while at the same time extending further than the Moncton Census Agglomeration (CA), thereby effectively transforming the service into a regional service. The 2001 Census conducted by Statistics Canada indicates the City of Moncton population to be approximately 61,000 persons. The 0.5 mV/m contour as proposed represents an increase in population coverage equal to 2.5 times its maximum capacity under its present technical parameters. The Commission is not convinced, in the absence of evidence from the applicant, that such an increase is warranted to assist CKOE-FM in fulfilling its mandate as originally licensed.
13. The Commission also notes that, far from being an administrative distinction, an application for a new FM radio undertaking differs greatly from that of a technical amendment in terms of the process followed and the considerations of the market such an application could entail.
14. Accordingly, the Commission **denies** the application by Houssen Broadcasting Ltd. to change the authorized contours of the radio programming undertaking CKOE-FM Moncton by increasing the average effective radiated power from 50 watts to 725 watts, by relocating the transmitter to a location northeast of its present site and by reducing the antenna height from 141 metres to 112 metres.

Secretary General

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