



## Broadcasting Circular CRTC 2006-1

Ottawa, 27 March 2006

### Streamlined processes for certain broadcasting applications

*In this circular, the Commission announces procedural changes that it is introducing to streamline and expedite the processing of applications for licence amendments that are routinely dealt with using the public notice approach, as well as of those applications dealt with using the Commission's administrative approach that do not entail a public process. The Commission also sets out its plans to review other areas of broadcasting processes, including applications dealt with by public hearing. The changes announced herein will apply to applications received after 31 March 2006.*

#### Need for streamlined procedures

1. In *Call for comments on the Commission's service standards*, Broadcasting Public Notice CRTC 2006-16, 10 February 2006 (Public Notice 2006-16), the Commission proposed service standards to support its commitments to streamline the procedures for its consideration of those licence amendment applications that are currently processed using the public notice approach, as well as of those types of applications that do not require a public process. Taking into account the comments received in response to Public Notice 2006-16, the Commission will shortly announce the service standards for these types of applications received after 31 March 2006.
2. Currently<sup>1</sup>, the average time taken by the Commission for disposing of applications is the following:
  - Applications that do not require a public process (other than ownership) – 75 days
  - Applications processed by public notice, but without interventions – 180 days
  - Applications processed by public notice, to which interventions were filed that raise issues or concerns – 300 days
3. The Commission recognizes the need for timelier disposition of priority applications given the rapid pace of innovation and the increasing competition in the broadcasting industry. The streamlining measures announced herein are designed to facilitate its consideration of the two types of applications described above. Applications dealt with by public hearings will be the subject of a review later this year, as will be the other initiatives mentioned later in this circular.

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<sup>1</sup> The average time pertains to applications processed during the first three quarters of fiscal year 2005-2006.

## **Streamlined procedures**

4. The Commission is establishing an expedited process for applications to amend licences that will be dealt with by public notice and for routine applications that do not require a public process. The expedited process entails procedural changes in how applications are filed by the industry, and in how applications will be reviewed by the Commission.

### **Expedited process**

5. The Commission's objective will be to ensure that within 15 business days of receiving an application for either a licence amendment that will be dealt with by public notice or an authorization that does not generally entail a public process, the Commission will issue one of the following:
  - a public notice announcing the application;
  - a letter approving the application;
  - a letter requesting clarification;
  - a letter returning an application that is deemed incomplete.
6. The Commission will not generally issue a deficiency letter for the processing of applications that are not complete as filed. Clarifications may, however, be sought where there is conflicting information in an application. Applicants will generally be expected to respond quickly to the Commission's requests for clarifications, i.e. within five business days.
7. An application will be deemed complete when the Commission has received the entire application, including a supplementary brief as outlined in the revised application forms. The onus will be on applicants to submit a clear application that provides all of the relevant information, identifies all regulatory issues raised in the application and provides supporting documentation.
8. Where applications are returned as being incomplete, the Commission will provide reasons. Applicants can then refile an application that includes the information missing from the initial submission.
9. The Commission undertakes to ensure that application forms are kept up to date to reflect any new policy or regulatory requirements. Applicants will be expected to use the most recent application form, available on the Commission's website.
10. Where an application has been announced in a public notice, applicants will be expected to file a reply to any intervention that raises issues within 10 days of being served with the intervention, as contemplated under sections 16 and 17 of the *CRTC Rules of Procedure*. This will ensure that all outstanding issues are addressed.

11. In the absence of any significant or unresolved issues or concerns surrounding an application for licence amendment processed by public notice or an application that does not require a public process, it is estimated that the expedited process announced in this circular for applications received after 31 March 2006 will reduce the current average processing time by approximately half.
12. In cases where consideration of an application is delayed, the Commission will advise the applicant of the reasons for the delay and, where possible, provide a new timeframe.

**Issuance of letters of approval for applications that do not require a public process**

13. In *Ownership applications granted approval*, Broadcasting Public Notice CRTC 2003-50, 19 September 2003 (Public Notice 2003-50), the Commission announced a streamlined procedure for its consideration of applications involving transfers of ownership and changes in the effective control of broadcasting undertakings. Under that streamlined procedure, the Commission issues letters of approval and, every two months, also issues a public notice containing brief descriptions of the applications that have been approved.
14. Given the degree of success in expediting the approval process as contemplated in Public Notice 2003-50, the Commission hereby announces that it will adopt a similar process for the following types of applications:
  - extensions of deadlines for the implementation of an authority;
  - extensions of deadlines for responding to a requirement made by the Commission in a decision for the filing of documentation or other information;
  - changes to the authorized contours of over-the-air programming undertakings;
  - changes to the authorized areas of licensed broadcasting distribution undertakings;
  - changes to the programming services that licensed broadcasting distribution undertakings are authorized to carry; and
  - changes to the broadcast day of television and specialty service undertakings.
15. Consistent with the process set out in Public Notice 2003-50, the Commission will issue letters of approval for these applications provided they do not raise any policy concerns and are consistent with previous decisions. The Commission will announce the applications thus approved by issuing a public notice every two months containing a brief description of the applications.

**Industry filing process; prioritization of applications**

16. In Broadcasting Circular CRTC 2005-466, 5 July 2005, the Commission required applicants to file their applications and all related documents in electronic form using Epass, thus eliminating the requirement to file a hard copy of the documents. The requirement to use Epass became effective on 1 August 2005, thus expediting the filing process by removing the need for the Commission to verify electronic and hard copy versions of an application.

17. The Commission often receives applications to amend a licence shortly after the licence has been issued or shortly following a Commission decision dealing with the same or a similar matter. Such amendments might relate, for example, to a change to the conditions of licence pertaining to the licensee's programming commitments made at the time of licensing.
18. The Commission also receives applications for amendments prior to the implementation of the authority granted in the original licence decision, or in the decision pertaining to an earlier licence amendment.
19. The Commission remains of the view that the authority to carry on a broadcasting undertaking should be implemented as approved; and that any amendment or other change to that authority, as may be approved during a licence term, should be implemented before another application is filed contemplating any further change.
20. Given the concerns that such applications raise with respect to the integrity of the licensing process, the Commission will not generally be disposed to review, on an expedited basis, applications for licence amendments that are received within two years of (a) the date that a new service has been implemented, or (b) the date of a Commission decision relating to an amendment concerning the same or a similar matter, except in the following cases:
  - The application is filed for the purpose of allowing broadcasting undertakings to avail themselves of a new or amended Commission policy or other relevant Commission determination.
  - The application is filed pursuant to a request made by the Commission in a preceding decision.
  - The application for an amendment is filed as a result of circumstances genuinely unforeseen at the time of licensing, or to deal with the occurrence of a new event affecting the operation of the undertaking. In such circumstances, a licensee filing an amendment application will be expected to demonstrate why the requested licence amendment is necessary, and why the Commission should deal with the proposal under the expedited process announced herein.

## **Implementation**

21. The changes announced in this circular will apply to applications filed after 31 March 2006. Applications that are currently before the Commission will be processed as expeditiously as possible, taking into account the spirit and intent of the new streamlined procedures announced herein.

22. To facilitate the implementation of the changes, the Commission will, during an interim period of 90 days expiring on 1 July 2006, generally allow applicants 48 hours to complete their application rather than returning incomplete applications.
23. The effectiveness of the streamlined process announced herein will be measured on an annual basis, although the results will be published on a quarterly basis on the Commission's web site. The Commission will continue to examine additional options to increase efficiency. The following areas are currently under review: the processing of requests to add foreign third-language services to the Lists of Eligible Satellite Services; a proposal to exempt from licensing requirements certain types of network operations; revisions to the broadcasting application forms; and a further streamlining of the licence renewal process.
24. In the 2006 fiscal year, the Commission also intends to examine streamlining initiatives relative to the public hearing process. This will include a review of the policy concerning the issuance of calls for applications (as a component of the commercial radio policy review); the scheduling of some competitive applications as non-appearing items as a means to expedite the process and reduce appearances at hearings; the use of an accelerated public hearing process; and the processing of Category 2 applications.

Secretary General

*This document 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>*