



Broadcasting Decision CRTC 2007-154

Ottawa, 28 May 2007

Various applicants

Medicine Hat, Alberta

*Public Hearing in Regina, Saskatchewan
30 October 2006*

Licensing of two new radio stations to serve Medicine Hat, Alberta and technical changes for CJLT-FM Medicine Hat

*The Commission **approves** the applications by Rogers Broadcasting Limited and Clear Sky Radio Inc. for broadcasting licences to operate new FM radio programming undertakings to serve Medicine Hat.*

*The Commission **approves** the application by Lighthouse Broadcasting Limited to amend the broadcasting licence for CJLT-FM Medicine Hat, in order to change the frequency from 99.5 MHz (channel 258LP) to 93.7 MHz (channel 229A). The Commission also **approves** changes in CJLT-FM's authorized contours by increasing the effective radiated power from 48 watts to 2,300 watts, by relocating the transmitter and by increasing the antenna height.*

*The Commission **denies** the remaining applications for broadcasting licences to serve the Medicine Hat radio market.*

Introduction

1. At a public hearing commencing 30 October 2006 in Regina, Saskatchewan, the Commission considered nine competitive applications to serve the radio market in Medicine Hat, Alberta. Eight of those applications were for broadcasting licences to operate new FM radio stations. One application contemplated technical changes for incumbent station CJLT-FM Medicine Hat. Some of these applications, including the one proposing technical changes, were technically mutually exclusive because they proposed the use of the same frequencies in the Medicine Hat radio market.
2. As part of this process, the Commission received and considered interventions with respect to each of these nine applications. The public record for this proceeding is available on the Commission's web site at www.crtc.gc.ca under "Public Proceedings".

Applications for new radio stations

3. After reviewing the applications and interventions, the Commission is of the view that the two primary issues to be considered in its evaluation of the applications for new radio stations are:
 - Can Medicine Hat sustain additional radio services without an undue negative impact on the Medicine Hat radio market?
 - If that market can sustain additional stations, which of the applications should be approved in light of the factors identified in Broadcasting Public Notice 2005-103 (the Call)?

The Medicine Hat radio market and its ability to sustain new stations

4. The city of Medicine Hat is located in south-eastern Alberta approximately 300 kilometres southeast of Calgary and 160 kilometres north of the U.S. border. Medicine Hat is a manufacturing centre that produces a variety of consumer and industrial goods for domestic consumption and export. Between 1990 and 2005, Medicine Hat's population grew at an average annual rate of 2.0% per year. Financial Post Markets (FP Markets) projects that the population of the Medicine Hat Central Area could reach 68,824 by 2008. FP Markets also projects that retail sales in the Medicine Hat radio market should reach just over \$1.4 billion in 2008, which is 58% higher on a per capita basis than the national average.
5. Currently, there is only one commercial licensee serving the Medicine Hat radio market, namely the partners of Jim Pattison Broadcast Group Limited Partnership¹ (Pattison), which operates two FM radio stations. CHAT-FM offers a New Country music format that serves females and males in the 25 to 54 demographic and CFMY-FM offers a Hot Adult Contemporary music format targeted to females between the ages of 18 and 44. Pattison also operates CHAT-TV, the local television station.
6. Many of the competing applicants identified males in the 18 to 54 demographic as the primary underserved group in the current Medicine Hat radio market. The Commission's analysis indicates that a substantial segment of adults between the ages of 25 and 54, and particularly males within this age group, may be currently underserved in the Medicine Hat radio market. In the Commission's view, this general demographic may include some portion of males between the ages of 18 and 25. The Commission also finds that adults aged 45 and over may represent a secondary underserved group.

¹ Jim Pattison Broadcast Group Ltd. (the general partner) and Jim Pattison Industries Ltd. (the limited partner), carrying on business as Jim Pattison Broadcast Group Limited Partnership

7. The profit before interest and taxes (PBIT) recorded by all Medicine Hat radio stations in 2006 was significantly higher than the average 2006 PBIT for all commercial radio stations in Canada (20.1%). Based upon projections for growth in Medicine Hat through 2008 and the current profitability of that market, the Commission is confident that Medicine Hat could support two new commercial radio stations at this time without an undue negative impact on the Medicine Hat radio market. Furthermore, in the Commission's view, the addition of new local commercial stations would increase the diversity of programming available to listeners and foster greater competition in a market that has been served by only one commercial radio licensee for many years.
8. In Broadcasting Public Notice 2006-159, the Commission set out its concern with the relatively lower profitability of radio markets with populations under 250,000, and signalled its intent to avoid over-licensing in such markets. The Commission is of the view that the licensing of two new commercial radio stations to serve the Medicine Hat market at this time is consistent with the intent of Broadcasting Public Notice 2006-159.

Assessment of the applications for new radio stations

Criteria for assessment

9. Having determined that there are strong economic indicators in the Medicine Hat market that would allow for two new commercial radio stations, the Commission considered the applications to serve Medicine Hat in light of all the factors relevant to the evaluation of applications outlined in the Call, which include the factors set out in Decision 99-480.
10. Although the Commission has weighed all of the factors outlined in the Call in assessing the proposed services, it considers that the quality of the applications, especially with respect to the overall business plan (which includes the proposed format) as well as commitments to local programming and to the use and development of Canadian talent, were particularly relevant to its determinations in light of the specific circumstances of the Medicine Hat radio market.

The applications

Newcap Inc.

11. Newcap Inc. proposed to establish an English-language commercial FM radio station that would operate at 105.3 MHz (channel 287C) with an effective radiated power (ERP) of 100,000 watts. The proposed station would offer a music format featuring a mix of New Rock, Classic Rock and Classic Hits of interest to a primarily male audience aged 25 to 54. In each broadcast week, the station would broadcast a minimum of 8 hours of spoken word programming, including 5 hours 45 minutes of structured news coverage. On average, 75% of all news stories each week would be local. The applicant stated that it would devote \$700,000 to Canadian talent development (CTD) over seven consecutive broadcast years, upon commencement of operations.

Golden West Broadcasting Ltd.

12. Golden West Broadcasting Ltd. proposed to establish an English-language commercial FM radio station that would operate at 101.5 MHz (channel 268C1) with an ERP of 100,000 watts. The proposed station would offer a Rock and Modern Rock hybrid musical format appealing to an audience aged 25 to 50. A minimum of 40% of all musical selections from content category 2 (Popular music) broadcast during the broadcast week and between 6 a.m. and 6 p.m. Monday through Friday would be Canadian, which exceeds the minimum requirements set out in the *Radio Regulations, 1986* (the Regulations). In each broadcast week, the station would offer almost 7 hours of structured news and sports coverage. The applicant stated that it would devote \$100,000 to CTD over seven consecutive broadcast years, upon commencement of operations.

Radio CJVR Ltd.

13. Radio CJVR Ltd. proposed to establish an English-language commercial FM radio station that would operate at 102.1 MHz (channel 271C1) with an ERP of 100,000 watts. The proposed station would offer a Classic Rock music format appealing to an audience of primarily males aged 25 to 54. In each broadcast week, the station would broadcast at least 9 hours 45 minutes of structured spoken word programming, including approximately 4 hours 30 minutes of news and related surveillance programming. The applicant stated that it would devote \$280,000 to CTD over seven consecutive broadcast years, upon commencement of operations.

Clear Sky Radio Inc.

14. Clear Sky Radio Inc. (formerly known as 1182743 Alberta Ltd.) (Clear Sky) proposed to establish an English-language commercial FM radio station that would operate at 102.1 MHz (channel 271C) with an ERP of 100,000 watts. The proposed station would offer an Adult Standards/Modern Nostalgia music format appealing to those between the ages of 35 to 64 with the core audience of those over 45. A minimum of 40% of all popular music broadcast during the broadcast week would be Canadian selections, which exceeds the minimum requirement set out in the Regulations. Between 6 a.m. and 6 p.m. Monday through Friday, a minimum of 35% of all popular music would be Canadian, which conforms to the minimum requirements set out in the Regulations. On average, a minimum of 22 hours of each broadcast week would be devoted to structured spoken word programming, including news, news updates, magazine programming, arts, music and lifestyle features. The applicant stated that it would devote \$129,500 to CTD over seven consecutive broadcast years, upon commencement of operations.

Vista Radio Ltd.

15. Vista Radio Ltd. proposed to establish an English-language commercial FM radio station that would operate at 105.3 MHz (channel 287C) with an ERP of 100,000 watts. The proposed station would offer a Classic Hits music format targeting an audience aged 35 to 54. Between 13.5 and 14.5 hours of each broadcast week would consist of spoken word programming, including 6 hours of news. At least 85% of the news would be local. The applicant indicated that it would devote \$420,000 to CTD over seven consecutive broadcast years, upon commencement of operations.

Harvard Broadcasting Inc.

16. Harvard Broadcasting Inc. proposed to establish an English-language commercial FM radio station that would operate at 92.9 MHz (channel 225C1) with an ERP of 100,000 watts. The proposed station would offer a blend of Classic rock and Modern Alternative rock music primarily targeting males aged 18 to 49. A minimum of 40% of all popular music broadcast during the broadcast week and between 6 a.m. and 6 p.m. Monday through Friday would be Canadian selections, which exceeds the minimum requirements set out in the Regulations. In each broadcast week, the station would broadcast 8 hours of spoken word programming, including 6 hours 30 minutes of combined news, sports and weather. On average, 80% of all news stories would focus on Medicine Hat. The applicant indicated that it would devote \$700,000 to CTD over seven consecutive broadcast years, upon commencement of operations.

Rogers Broadcasting Limited

17. Rogers Broadcasting Limited (Rogers) proposed to establish an English-language commercial FM radio station that would operate at 105.3 MHz (channel 287C1) with an ERP of 77,900 watts. The proposed station would offer a blend of modern rock, album-oriented rock, classic rock and adult rock music designed to appeal to those between 25 and 54 years of age with a core audience of males aged 25 to 44. In each broadcast week, the station would broadcast 19 hours of spoken word programming of which 2 hours would be structured spoken word including news and information programming. The remainder of the spoken word programming would reflect the station's rock music format and consist of unstructured discussions on various topics by announcers as well as brief news, traffic and weather surveillance and general information segments created by a local production team. The applicant stated that it would devote \$1 million to CTD over seven consecutive broadcast years, upon commencement of operations.

Pat Lough, on behalf of a corporation to be incorporated

18. Pat Lough, on behalf of a corporation to be incorporated, proposed to establish an English-language commercial FM radio station that would operate at 102.1 MHz (channel 271C) with an ERP of 100,000 watts. The proposed station would offer a blend of Classic Rock Hits and Alternative Rock music designed to appeal to males aged 18 to 54. A minimum of 40% of all popular music broadcast during the broadcast week and between 6 a.m. and 6 p.m. Monday through Friday would be Canadian selections, which

exceeds the minimum requirements set out in the Regulations. In each broadcast week, the station would offer 19 hours of spoken word programming, including 5 hours and 15 minutes of news and related surveillance material. The applicant indicated that it would devote \$37,800 to CTD over seven consecutive broadcast years, upon commencement of operations.

Commission's analysis

19. The Commission considers that all of the applicants presented viable business plans and that each clearly demonstrated the financial capacity necessary to fulfil its respective plan. However, for the reasons discussed below, the Commission considers that the applications by Rogers and Clear Sky best fulfil the criteria set out in the Call for evaluating competing applications for new radio stations to serve Medicine Hat.

Rogers

20. Seven of the competing applicants for new commercial radio stations to serve Medicine Hat proposed to target the currently underserved 18 to 54 male demographic. All of these applicants proposed Rock or Rock Oriented music formats. While recognizing that musical formats are not regulated and may be changed to respond to market realities, the Commission is of the view that the broad-based Rock music format proposed by Rogers would provide the most innovative and attractive service to the primary underserved audience group in the current Medicine Hat radio market.
21. The Commission considers that Rogers' proposed station would provide local reflection of particular interest to its target audience. About 80% of the station's programming would be produced locally. In each broadcast week, the station would offer at least 101 hours of live-to-air programming. In the Commission's view, the applicant's plans to devote a large portion of its weekly 19 hours of spoken word programming to unstructured "topical talk patterns" and brief program segments that reflect the station's rock music format would appeal to the younger core demographic.
22. The Commission has also made specific note of Rogers' significant financial commitment to Canadian talent. Specifically, Rogers stated that, upon commencement of operation, it would contribute \$142,857 in each broadcast year, or \$1 million over seven consecutive broadcast years to various initiatives described in its application in support of CTD.
23. Finally, the Commission is satisfied that Rogers, which owns and operates radio stations in various markets across Canada, has the broadcasting experience and the financial resources to establish and maintain a successful radio station in the Medicine Hat market.

Clear Sky

24. Only Clear Sky proposed to target an audience of those aged 45 years or more, a group that the Commission has identified as a secondary underserved cohort in the current Medicine Hat radio market. While again acknowledging that musical formats are not regulated and may be changed at any time, the Commission is of the view that the Adult Standards and Modern Nostalgia music format proposed by Clear Sky would appeal to listeners between the ages of 35 and 64 but would be targeted to a core audience of those over 45. The Commission notes that the proposed station would broadcast a mix of classic adult standards from the past mixed with new songs.
25. In Broadcasting Decision 2006-328, the Commission authorized 1182743 Alberta Ltd., now known as Clear Sky, to operate an English-language FM radio station in Lethbridge, Alberta, offering the same music format targeted to the 45+ age group. At that time, the Commission noted that the licensing of the Lethbridge radio station would introduce a new company into the Canadian broadcasting system.
26. The Commission is of the view that approval of the present application would afford Clear Sky an opportunity to expand its holdings and strengthen its position as a new entrant in the Canadian broadcasting system. In particular, the Commission considers that the administrative synergies available between the Lethbridge and Medicine Hat operations would enable the applicant to compete with other radio licensees and to fulfil its commitments.
27. In the Commission's view, Clear Sky's proposed station would provide significant local reflection. All of the programming would be local. Clear Sky's commitment to devote, on average, 22 hours of the broadcast week to structured spoken word programming would provide local reflection of particular interest to its target audience. The Commission has made specific note of Clear Sky's commitment to maintain the programming budget set out in its application even if the station generated less revenue in the first years of operation than projected.
28. Given the applicant's commitments that at least 40% of all popular music broadcast during the broadcast week would be Canadian and that half of those Canadian music selections would have been released after 2000, the Commission considers that the proposed station would provide increased exposure for Canadian music, particularly more recent selections.
29. The Commission has noted Clear Sky's commitment to contribute a minimum of \$18,500 annually, or \$129,500 over seven consecutive years, to initiatives described in its application in support of Canadian talent. Most of Clear Sky's CTD contributions would be allocated to local initiatives.

Application for technical changes

The application

30. Lighthouse Broadcasting Limited (Lighthouse) proposed technical changes for the low-power Specialty FM radio station CJLT-FM Medicine Hat, which was authorized in Broadcasting Decision 2003-12. Lighthouse requested a licence amendment in order to change the frequency from 99.5 MHz (channel 258LP) to 93.7 MHz (channel 229A). The licensee also proposed to change the authorized contours by increasing the ERP from 48 watts to 2,300 watts, relocating the transmitter and increasing the antenna height. The proposed increase in power would change CJLT-FM's status from that of a low-power unprotected service to a regular Class A FM service². Lighthouse made a commitment to maintain CJLT-FM's existing Specialty FM Christian music format.

Commission's analysis

31. 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 originally proposed.
32. In the present case, the Commission received many interventions from CJLT-FM's listeners who supported the proposed technical changes. The Commission's analysis confirms Lighthouse's claim that CJLT-FM's current low-power signal cannot provide adequate coverage throughout its authorized service area and that even listeners within the station's central market, i.e. its 3 mV/m contour, cannot always receive a quality signal. The Commission is persuaded by the licensee's argument that the region's topography not only impedes CJLT-FM's signal but also limits options for improving coverage within its service area. Accordingly, the Commission finds that Lighthouse has provided compelling evidence that CJLT-FM's authorized technical parameters are not adequate to provide service to the Medicine Hat market, as proposed in the original licensing application approved in Broadcasting Decision 2003-12.
33. While not opposing Lighthouse's application, Pattison commented that the proposed increase in power would make CJLT-FM more attractive to advertisers and consequently could have a negative financial impact on existing radio stations in the Medicine Hat market. However, the Commission's financial analysis indicates that CJLT-FM has had a minimal impact on the Medicine Hat radio market since the station's launch in 2003. Given that CJLT-FM is licensed as a Specialty station and Lighthouse is committed to maintaining CJLT-FM's Christian music format, the Commission considers that the station will continue to target a niche audience. Accordingly, the Commission is satisfied that approval of this application will not have an undue negative impact on the Medicine Hat commercial radio market.

² Under the Department of Industry's rules, the licensee of a low-power station, i.e., those operating with an ERP of 50 watts or less, must select another frequency if optimum utilization of the broadcasting spectrum requires.

34. The Commission has taken specific note of Lighthouse's commitment that, if its application were approved, it would increase its annual minimum contribution to CTD from \$400 to \$900 and allocate those expenditures to annual music scholarships at Medicine Hat College. Lighthouse's CTD commitment would therefore increase by \$500 in each of the remaining three years of the licence term. Lighthouse indicated that it would adhere to this commitment by condition of licence.
35. The Commission has also noted Lighthouse's commitment to reorient some of CJLT-FM's local reflection programming to include content relevant to the communities it would serve as a result of the proposed power increase, including Redcliff, Bow Island and Dunmore, which would be in its 3 mV/m contour, and Bullshead, Bowell and Vale, which would be in its 0.5 mV/m contour. According to the technical data provided by Lighthouse, the population covered by CJLT-FM's 3 mV/m contour would increase from approximately 35,000 to just over 66,000.

Commission's determinations

36. The Commission is of the view that, taken together, the services proposed by Rogers and Clear Sky will offer listening choices to the primary and secondary underserved audience groups in Medicine Hat while having a minimal impact on the Medicine Hat radio market. The Commission is further satisfied that approval of the applications by Rogers and Clear Sky will increase local reflection, augment the diversity of editorial voices in the Medicine Hat radio market and provide significant new support for Canadian talent. The Commission also finds that the technical changes proposed by Lighthouse are warranted to improve CJLT-FM's coverage within its authorized service area.
37. Accordingly, the Commission **approves** the applications for broadcasting licences to operate new radio stations in Medicine Hat by the two parties listed below. Terms and **conditions of licence** for the new services are set out in Appendices 1 and 2 to this decision.

Rogers Broadcasting Limited

Application 2006-0049-6, received 17 January 2006

Clear Sky Radio Inc.

Application 2006-0045-4, received 17 January 2006

38. In light of the above, the Commission **denies** the remaining applications for broadcasting licences to operate new radio stations in Medicine Hat, as set out below:

Newcap Inc.

Application 2005-0741-0, received 23 June 2005

Golden West Broadcasting Ltd.

Application 2006-0035-5, received 12 January 2006

Radio CJVR Ltd.

Application 2006-0044-6, received 16 January 2006

Vista Radio Ltd.

Application 2006-0046-2, received 17 January 2006

Harvard Broadcasting Inc.

Application 2006-0048-8, received 17 January 2006

Pat Lough, on behalf of a corporation to be incorporated

Application 2006-0051-1, received 17 January 2006

39. The Commission **approves** the application by Lighthouse Broadcasting Limited (*Application 2005-0819-5, received 11 July 2005*) to amend the broadcasting licence for CJLT-FM Medicine Hat, in order to change the frequency from 99.5 MHz (channel 258LP) to 93.7 MHz (channel 229A). The Commission also **approves** changes in CJLT-FM's authorized contours by increasing the ERP from 48 watts to 2,300 watts, by relocating the transmitter and by increasing the antenna height. The terms of the licence amendment and CJLT-FM's **conditions of licence** are set out in Appendix 3 to this decision.

Changes flowing from the new *Commercial Radio Policy 2006*

40. In Broadcasting Public Notice 2006-158, the Commission set out a new approach to the development and promotion of Canadian artists. In order to reflect a new emphasis on development initiatives that lead to the creation of audio content for broadcasting Canadian resources, the Commission will replace the expression "Canadian talent development" (CTD) with "Canadian content development" (CCD). Each radio station holding a commercial radio licence will be required to make a basic annual CCD contribution based on its revenues in the previous broadcast year.
41. The Commission notes that Rogers and Clear Sky have made commitments to CTD that will be imposed on each as a condition of licence. Amounts required under this condition of licence may be deducted from the amounts that will be required under the new basic CCD contribution.

Employment equity

42. Because Rogers is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Human Resources and Skills Development, its employment equity practices are not examined by the Commission.

Related documents

- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

- *Revised policy concerning the issuance of calls for radio applications and a new process for applications to serve small markets*, Broadcasting Public Notice CRTC 2006-159, 15 December 2006
- *English-language FM radio station in Lethbridge*, Broadcasting Decision CRTC 2006-328, 2 August 2006
- *Call for applications for a broadcasting licence to carry on a radio programming undertaking to serve Medicine Hat, Alberta*, Broadcasting Public Notice CRTC 2005-103, 18 November 2005
- *Low-power religious music FM radio station in Medicine Hat*, Broadcasting Decision CRTC 2003-12, 21 January 2003
- *Introductory statement – Licensing new radio stations*, Decision CRTC 99-480, 28 October 1999

Secretary General

This decision and the appropriate appendix should be attached to each licence. 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>

Appendix 1 to Broadcasting Decision CRTC 2007-154

Rogers Broadcasting Limited

Application 2006-0049-6, received 17 January 2006

Terms, conditions of licence and expectation

Terms

Issuance of the broadcasting licence to operate an English-language, commercial FM radio programming undertaking in Medicine Hat, Alberta

The licence will expire 31 August 2013.

The station will operate at 105.3 MHz (channel 287C1) with an effective radiated power of 77,900 watts.

The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.

The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.

Furthermore, the licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 28 May 2009. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Conditions of licence

1. The licence shall be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, with the exception of condition of licence number 5.
2. Upon commencement of operation, the licensee shall make direct expenditures of least \$142,857 in each broadcast year for the development of Canadian content to eligible initiatives as defined in *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

Expectation

Cultural diversity

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

Appendix 2 to Broadcasting Decision CRTC 2007-154

Clear Sky Radio Inc.

Application 2006-0045-4, received 17 January 2006

Terms, conditions of licence, expectation and encouragement

Terms

Issuance of the broadcasting licence to operate an English-language, commercial FM radio programming undertaking in Medicine Hat, Alberta

The licence will expire 31 August 2013.

The station will operate at 102.1 MHz (channel 271C) with an effective radiated power of 100,000 watts.

The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.

The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.

Furthermore, the licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 28 May 2009. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Conditions of licence

1. The licence shall be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, with the exception of condition of licence number 5.
2. Upon commencement of operation, the licensee shall make direct expenditures of at least \$18,500 in each broadcast year for the development of Canadian content to eligible initiatives as defined in *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

3. The licensee shall, as an exception to the percentage of Canadian musical selections set out in section 2.2(8) of the *Radio Regulations, 1986*, in any broadcast week, devote, in that broadcast week, a minimum of 40% of its musical selections from content category 2 (Popular music) to Canadian selections broadcast in their entirety.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category,” and “musical selection” shall have the same meaning as that set out in the *Radio Regulations, 1986*.

Expectation/Encouragement

Cultural diversity

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

Employment equity

In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Appendix 3 to Broadcasting Decision CRTC 2007-154

Lighthouse Broadcasting Limited

Application 2005-0819-5, received 11 July 2005

Terms, conditions of licence and encouragement

Terms

Licence amendment for CJLT-FM Medicine Hat

The station will operate at 93.7 MHz (channel 229A) with an effective radiated power of 2,300 watts.

The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.

The Commission reminds the licensee that, pursuant to section 22(1) of the *Broadcasting Act*, this authority will only be effective when the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.

Conditions of licence

1. The licence shall be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, with the exception of conditions of licence 5 and 8.
2. The station shall be operated within the Specialty format as defined in *A review of certain matters concerning radio*, Public Notice CRTC 1995-60, 21 April 1995, and *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000, as amended from time to time.
3. The licensee shall devote a minimum of 95% of all musical selections broadcast during each broadcast week to selections drawn from subcategory 35 (Non-classic religious).
4. Effective the broadcast year beginning 1 September 2007 and for the remainder of the licence term, the licensee shall make direct expenditures of at least \$900 in each broadcast year on the development and promotion of Canadian talent. These expenditures shall be allocated to annual music scholarships at Medicine Hat College.

5. Where the licensee broadcasts religious programming as defined in *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993, the licensee shall adhere to the guidelines set out in sections III.B.2.a) and IV of that public notice with respect to the provision of balance and ethics in religious programming, as amended from time to time.
6. The licensee shall adhere to the guidelines outlined in *Policy regarding open-line programming*, Public Notice CRTC 1988-213, 23 December 1998.

Encouragement

Employment equity

In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.