



Broadcasting Decision CRTC 2014-354

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Route reference: Part 1 application posted on 12 July 2013

Ottawa, 7 July 2014

Seaside Broadcasting Organization

Eastern Passage, Nova Scotia

Application 2013-0986-5

CFEP-FM Eastern Passage – Technical changes

*The Commission **approves** an application to change the authorized contours of the English-language community radio station CFEP-FM Eastern Passage, Nova Scotia.*

Application

1. Seaside Broadcasting Organization (Seaside) filed an application to change the authorized contours of the English-language community radio station CFEP-FM Eastern Passage by increasing its authorized effective radiated power (ERP) from 1,680 to 2,443 watts, relocating its transmitter and antenna and increasing the antenna's effective height above average terrain (EHAAT) from 37.6 to 156.8 metres.¹ All other technical parameters would remain unchanged.
2. Seaside stated that these changes would enhance its listeners' experience by improving the quality of its signal and would enable the station to better serve the Halifax area, including its core coverage area of Eastern Passage. It also noted that while these changes were not necessary for the financial viability of the station, they aimed to provide a financially attainable technical solution to reception issues experienced by its listeners. The proposed technical solution would replace that approved in Broadcasting Decision 2011-711, which, according to Seaside, has become financially unattainable due to rising implementation costs and poor economic conditions.
3. The Commission received interventions supporting the application, as well as an opposing intervention by Newcap Inc. (Newcap). The public record for this application can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.

¹ These technical parameters reflect those approved by the Department of Industry.

Intervention and reply

4. Newcap submitted that the technical changes would make CFEP-FM a Halifax Metro station and that this would represent a significant departure from the station's original mandate as a community station licensed to serve Eastern Passage. It also noted that the population currently served by CFEP-FM was significantly higher than what was approved in the licensing decision for the station (Decision 2001-771).
5. In reply, Seaside stated that the technical changes were aimed at providing a better service to its listeners at a cost it could afford and would not make CFEP-FM a Halifax Metro station given that its proposed broadcasting power is relatively low compared to existing Halifax Metro stations.

Commission's analysis

6. When a licensee files an application to change its authorized technical parameters, the Commission expects it to present compelling economic or technical evidence that its existing technical parameters are not adequate to provide the service as originally proposed. The Commission is also concerned about the effect that changes in technical parameters could have on other stations in the market.
7. In this case, the Commission notes that it has previously approved increases to CFEP-FM's power, a change to its frequency and a relocation of its transmitter, stating that these proposals would ensure a better reception in Eastern Passage and other parts of the Halifax radio market and would make an appropriate use of the requested frequency.² However, for various reasons, the licensee was not able to implement all of the technical changes. The current request for further technical changes is therefore based not on economic need, but rather on the need to find an economically viable solution to the reception issues associated with the station's existing technical parameters.
8. Specifically, Seaside stated that it had been unable to implement the currently approved technical changes due to its being unable to secure the necessary funds to build the antenna and transmitter in Dartmouth, Nova Scotia. The licensee is also seeking to remedy a situation that existed in its previously approved 2011 proposal, namely, that it is fourth adjacent to CKHY-FM on channel 286C in Halifax. In light of the above, the Commission is of the view that Seaside has demonstrated a compelling technical need for the proposed changes.
9. With respect to the impact on existing stations in the Halifax radio market, the Commission notes that this market currently posts a profit before interest and taxes margin of 9.1%. The Commission also considers that while CFEP-FM could report some increase in its revenues if the technical changes were approved, due to CFEP-FM's non-commercial programming orientation this increase would very likely

² See Broadcasting Decisions 2007-389, 2008-190 and 2011-711.

represent a modest share of the overall advertising revenues generated in the Halifax radio market, which totalled over \$21 million in 2013.

10. Finally, the Commission is of the view that the changes would not have an undue impact on the recently approved English-language community FM radio station in Lower Sackville³ given that CFEP-FM would not likely target the Lower Sackville market.

Conclusion

11. In light of all of the above, the Commission **approves** the application by Seaside Broadcasting Organization to change the authorized contours of the English-language community radio programming undertaking CFEP-FM Eastern Passage by increasing its authorized ERP from 1,680 to 2,443 watts, relocating its transmitter and antenna and increasing the antenna's EHAAT from 37.6 to 156.8 metres.
12. The Commission reminds the licensee that pursuant to section 22(1) of the *Broadcasting Act*, this authority will only be effective when the Department of Industry notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

Filing of annual returns

13. Section 9(2) of the *Radio Regulations, 1986* requires licensees to file an annual return by 30 November of each year for the broadcast year ending the previous 31 August. Failure to meet this requirement, as well as the filing requirements set out in Broadcasting Information Bulletin 2011-795, may result in a situation of non-compliance.
14. In Broadcasting Decision 2011-711, the Commission noted that the licensee's annual returns for the 2008-2009 and 2009-2010 broadcast years were filed after the 30 November deadline and reminded the licensee of its obligation in this regard. The Commission notes that the licensee's most recent annual returns for the 2011-2012 and 2012-2013 broadcast years were filed on time but were incomplete. The Commission **directs** the licensee to file the missing financial statements for the 2011-2012 and 2012-2013 broadcast years by **6 October 2014**.
15. The Commission again reminds the licensee of its obligation to file annual returns. The Commission will address this issue, as well as any other outstanding issues, as part of the next licence renewal for the station.

Secretary General

³ See Broadcasting Decision 2014-279.

Related documents

- *Community radio stations in Hubbards and Lower Sackville*, Broadcasting Decision CRTC 2014-279, 28 May 2014
- *Filing annual returns for radio programming undertakings*, Broadcasting Information Bulletin CRTC 2011-795, 20 December 2011
- *CFEP-FM Eastern Passage – Technical change*, Broadcasting Decision CRTC 2011-711, 16 November 2011
- *CFEP-FM Eastern Passage – Technical changes*, Broadcasting Decision CRTC 2008-190, 19 August 2008
- *CFEP-FM Eastern Passage – Technical changes*, Broadcasting Decision CRTC 2007-389, 23 October 2007
- *New community radio station*, Decision CRTC 2001-771, 20 December 2001

**This decision is to be appended to the licence.*