



# Broadcasting Regulatory Policy CRTC 2015-380

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Reference: 2015-86

Ottawa, 19 August 2015

## General authorizations for broadcasting distribution undertakings

*The Commission amends the general authorizations for broadcasting distribution undertakings to ensure that the promotional periods of time made available on U.S. television services, known as local availabilities, are used, to a larger extent, to promote first-run, original Canadian television programs.*

*This amendment will provide Canadians with increased opportunities to discover high-quality Canadian programming.*

### Background

1. In Broadcasting Regulatory Policy 2011-522, the Commission set out general authorizations that are incorporated by reference into the licences of all broadcasting distribution undertakings (BDUs). These include an authorization for BDUs to insert certain promotional material as a substitute for the local availabilities of authorized non-Canadian programming services.
2. In Broadcasting Regulatory Policy 2015-86, the Commission addressed, among other things, the issue of the use of local availabilities as a promotional tool for Canadian programming. Specifically, the Commission determined that local availabilities should be used, to a larger extent, to promote original Canadian television programs in particular, rather than programming services in general or commercial advertisers or sponsors. The Commission also determined that to ensure that local availabilities are used effectively, the amount of time dedicated to Canadian programs should be measured over the broadcast day.

### Commission's analysis and decision

3. Accordingly, the Commission amends the authorization relating to the use of local availabilities in non-Canadian services as follows:

At least 75% of local availabilities must be made available in each broadcast day for use by licensed Canadian television programming services, in an equitable manner and on a cost-recovery basis, to promote first-run, original Canadian programs.

4. BDUs will be able to continue to use the remaining 25% of local availabilities to promote their broadcasting and telecommunications services as set out in the authorization.
5. The full list of general authorizations for BDUs, including those found in Broadcasting Regulatory Policy 2011-522, is set out in the appendix to this regulatory policy.

Secretary General

### **Related documents**

- *Let's Talk TV – The way forward – Creating compelling and diverse Canadian programming*, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015
- *General authorizations for broadcasting distribution undertakings*, Broadcasting Regulatory Policy CRTC 2011-522, 24 August 2011

## **Appendix to Broadcasting Regulatory Policy CRTC 2015-380**

### **General authorizations for broadcasting distribution undertakings**

#### **Terrestrial and direct-to-home (DTH) satellite broadcasting distribution undertakings**

The terms “authorized non-Canadian programming service,” “Canadian programming service,” “high definition,” “non-Canadian programming service” and “standard definition” have the same meaning as that set out in the *Broadcasting Distribution Regulations* (the Regulations), as amended from time to time.

The general authorizations below are effective 1 September 2015.

#### **Use of local availabilities**

1. The licensee may, at its option, insert certain promotional material as a substitute for the “local availabilities” (i.e., non-Canadian advertising material) of authorized non-Canadian programming services. At least 75% of local availabilities must be made available in each broadcast day for use by licensed Canadian programming services, in an equitable manner and on a cost-recovery basis, to promote first-run, original Canadian programs. A maximum of 25% of the local availabilities may be used to provide subscribers with information regarding customer service and channel realignments, and for the promotion of discretionary programming services and packages, cable FM service, additional cable outlets and non-programming services, including Internet and telephone services.

#### **Distribution of satellite subscription radio services**

2. The licensee is authorized to distribute, at its option, the audio programming service of any licensed satellite subscription radio undertaking on a digital basis. The distribution of satellite subscription radio signals is subject to the following provisions:
  - (a) The licensee may not count the signals of conventional radio programming undertakings for the purpose of fulfilling the preponderance requirement set out in section 6(1) of the Regulations unless a subscriber is already receiving at least 40 channels of one or more licensed pay audio programming undertakings.
  - (b) The Canadian-produced channels offered by the satellite subscription radio undertaking are deemed to be “Canadian programming services” for the purposes of section 6(1) of the Regulations.

#### **Distribution of down-converted programming services**

3. Subject to section 42 of the Regulations, where a standard definition (SD) or analog version of a programming service is not provided by the broadcaster, the licensee is

authorized to down-convert a high definition (HD) or SD version of any programming service authorized by the Regulations, by the *List of non-Canadian programming services and stations authorized for distribution*, or by condition of licence into either SD or analog format, and to distribute that version of the programming service to its subscribers. The above is subject to the following terms and conditions:

- (a) The terms and conditions otherwise applicable to the distribution of the television signals in question apply, *mutatis mutandis*, to the distribution of down-converted versions of those signals;
- (b) In the case of a Canadian programming service, the licensee obtains the consent of the Canadian programming undertaking; and
- (c) If the licensee distributes an authorized HD or SD programming service on a down-converted basis, it must distribute down-converted versions of other comparable HD or SD Canadian programming services in a similar fashion, without undue discrimination or undue preference.

#### **Distribution of up-converted programming services**

- 4. The licensee is authorized to distribute, with the consent of the Canadian programming undertaking, an up-converted version of any analog-only Canadian programming services in SD. Where the licensee distributes an analog programming service on an up-converted basis, it must distribute other Canadian programming services in a similar fashion, without undue discrimination or undue preference.

#### **Distribution of a local package**

- 5. The licensee is authorized to distribute, at its option, a local package without having to provide users of that local package with the full basic service. The distribution of a local package is subject to the following provisions:
  - (a) Only local and regional television stations that were available to the subscribers on an over-the-air basis as of 10 November 2010 are to be included in the local package. Stations must provide their signals to broadcasting distribution undertaking (BDU) head-ends or up-link centres, by any means.
  - (b) Users cannot receive video-on-demand or any other broadcasting services in conjunction with the local package.
  - (c) BDUs may offer telecommunications services to local package users, but may not offer a local package as part of a bundle or otherwise make receiving this package contingent on purchasing other services.

(d) No fee shall be charged for the local package, but users may be required to purchase or rent equipment, or pay for service/support calls. In addition, users may choose to pay for the use of an electronic programming guide.

**Distribution of satellite-to-cable services**

6. The licensee is authorized to distribute the signal of any satellite-to-cable service.