



Broadcasting Public Notice CRTC 2004-39

Ottawa, 14 June 2004

Exemption order respecting cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers; and Amendment to the *Broadcasting Distribution Regulations*

The Commission will exempt from licensing requirements and associated regulations, those cable broadcasting distribution undertakings (BDUs) that serve between 2,000 and 6,000 subscribers and meet certain other criteria set out in the exemption order attached to this notice as Appendix A. A list of cable BDUs that may, according to the Commission's records, qualify for exemption under this order or under the Exemption order for small cable undertakings is attached as Appendix B.

A licensed cable BDU that meets the criteria set out in the exemption order will become exempt from licensing following the receipt and the approval by the Commission of an application to revoke its broadcasting licence.

The Commission has also amended the Broadcasting Distribution Regulations as set out in Appendix C to this notice. The amendment came into force on 2 April 2004.

Background

1. In *Exemption of cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers*, Broadcasting Public Notice CRTC 2003-23, 30 April 2003 (Public Notice 2003-23), the Commission announced its determination to exempt a class of cable broadcasting distribution undertakings (BDUs) that would generally include Class 2 cable BDUs and those Class 3 cable BDUs with fewer than 6,000 subscribers that are not already eligible for exemption under the *Exemption order for small cable undertakings* (the small cable exemption order) issued as an appendix to *Exemption order respecting cable systems having fewer than 2,000 subscribers*, Public Notice CRTC 2001-121, 7 December 2001.¹ In addition, the Commission stated its intention to lighten the regulatory burden of Class 2 cable BDUs that would not be eligible for exemption by, among other things, removing the requirement set out in the *Broadcasting Distribution Regulations* (the Regulations) to install facilities and to provide basic service upon request.

¹ The Commission adopted amendments to the exemption order in *Amendments to the Exemption order for small cable undertakings*, Broadcasting Public Notice CRTC 2002-74, 19 November 2002. The complete amended exemption order is set out in the appendix to that notice.

2. In *Call for comments on a proposed exemption order for cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers; and changes to the exemption order respecting cable systems having fewer than 2,000 subscribers*, Broadcasting Public Notice CRTC 2003-41, 29 July 2003 (Public Notice 2003-41), the Commission sought comment as to whether the language of its proposed exemption order reflected the determinations it made in Public Notice 2003-23.
3. In addition, in *Call for comments – Proposed amendment to the Broadcasting Distribution Regulations*, Broadcasting Public Notice CRTC 2003-65, 5 December 2003 (Public Notice 2003-65), the Commission invited comments on its proposal to remove the reference to Class 2 cable BDUs from section 48 of the Regulations.
4. In this notice, the Commission sets out and makes its determination on the issues concerning the comments received in response to Public Notice 2003-41. The Commission then sets out its determination with respect to Public Notice 2003-65 regarding the change to the Regulations.

Overview of positions of parties

5. The Commission received comments from seven parties in response to Public Notice 2003-41. Câblevision du Nord de Québec inc. (CNQ), Norcom Telecommunications Limited (Norcom), Northern Television Systems Ltd. (Northern) and the Canadian Cable Television Association (CCTA) expressed the general concern that, under the proposed exemption order, Class 3 cable BDUs that serve between 2,000 and 6,000 subscribers would be required to assume additional obligations in order to be eligible for exemption.
6. Vidéotron ltée (Vidéotron), Saskatchewan Telecommunications (SaskTel) and the Canadian Film and Television Production Association (CFTPA) provided recommendations with respect to specific elements of the proposed exemption order.
7. With respect to Public Notice 2003-65, the Commission received comments from the CCTA supporting the proposed amendment. The Commission also received a comment that did not directly address matters related to this proceeding.
8. Specific comments are summarized as part of the discussion on the various issues that follow.


Class 3 cable BDUs that serve between 2,000 and 6,000 subscribers

Positions of parties

9. As noted above, CNQ, Norcom, Northern and the CCTA expressed concern that, under the proposed exemption order, Class 3 cable BDUs that serve between 2,000 and 6,000 subscribers would be required to assume additional obligations in order to be eligible for exemption. In particular, the parties noted that, in order to be exempted, these cable BDUs would be required to assume the additional financial burden of contributing 5% of their gross annual revenues from broadcasting activities to the production of Canadian

programming. These BDUs would also be required to distribute additional programming services, including services in the official language of the minority in the markets they serve. The parties proposed that Class 3 cable BDUs that serve more than 2,000 subscribers should, instead, be exempted subject to terms identical to those contained in the small cable exemption order.

The Commission's analysis and determination

10. The Commission notes that Class 3 cable BDUs that serve more than 2,000 subscribers are currently subject to a considerably lighter level of regulation than Class 2 cable BDUs despite the fact that Class 3 cable BDUs have, on average, a subscriber base that is equal to or larger than that of Class 2 cable BDUs. Historically, larger Class 3 cable BDUs were licensed in service areas with a small number of conventional television stations available over-the-air. These licensees were considered relatively remote and isolated, and therefore were subject to a lighter level of regulation than Class 2 cable BDUs.
11. In the proceeding that resulted in Public Notice 2003-23, larger Class 3 cable BDUs and their representatives argued that the fact that these Class 3 cable BDUs serve remote areas continued to result in financial difficulties and that these licensees were particularly vulnerable to competition from direct-to-home (DTH) satellite BDUs. They argued that exemption of larger Class 3 cable BDUs under the conditions of the small cable exemption order was warranted in order to ease the financial and administrative burden of these licensees.
12. In making its determination in Public Notice 2003-23, the Commission considered the current realities of the reception and distribution of programming services by these larger Class 3 cable BDUs, including the changes in the numbers of subscribers served by them, the corresponding revenues and profits generated, and the costs associated with distribution. The Commission found that the larger Class 3 cable BDUs operate under considerably different financial circumstances than smaller Class 3 cable BDUs exempted under the small cable exemption order, many of which serve only a few hundred subscribers or fewer. In fact, larger Class 3 cable BDUs, on average, had lower expenses, including programming-related expenses, and greater revenues and profitability than Class 2 cable BDUs and, in certain cases, even than Class 1 cable BDUs. Accordingly, the Commission found no financial reason to warrant the exemption of these larger Class 3 cable BDUs under relatively lighter conditions than those under which Class 2 cable BDUs would be exempted. Accordingly, the Commission has not made any changes to the proposed exemption order with respect to this issue. 
13. The Commission notes that information supplied in the 2003 annual returns that were submitted by all licensees confirms the Commission's view set out in Public Notice 2003-23 that there are no financial reasons for Class 3 cable BDUs serving more than 2,000 subscribers to be exempted under relatively lighter conditions than Class 2 cable BDUs.

Contributions to the production of Canadian programming

Positions of parties

14. The CFTPA suggested that the exemption order should specify that, where an exempt BDU chooses to reduce or discontinue funding of a community channel service, it would be required to contribute to an independent production fund instead. The CFTPA also requested that the order clarify that exempt cable BDUs would not be permitted to contribute to the independent production fund to assist small market, independently owned television stations (the small market fund) to which DTH satellite BDUs contribute.²

The Commission's analysis and determination

15. The Commission is of the view that the language of the proposed exemption order clearly indicates that, in the absence of funding to a community channel service, an exempt undertaking will be required to direct its full 5% contribution to independent production funds. The Commission further notes that the language used for the exemption criterion related to contributions to Canadian programming is substantially the same as that used in section 29 of the Regulations, which describes the contribution requirements of Class 1 and Class 2 cable BDUs. The Commission therefore considers that the CFTPA's concern is adequately addressed by the current language of the proposed exemption order. Accordingly, it has not amended the proposed exemption order with respect to this issue.
16. With respect to the eligibility of exempt BDUs to contribute to the small market fund, the Commission notes that *Contributions to Canadian programming by broadcasting distribution undertakings*, Broadcasting Public Notice CRTC 2003-38, 16 July 2003, specifies that this fund was developed:

solely for the purposes of creating a fund to enable DTH BDU licensees to assist the licensees of the above-noted small market, independently owned television stations to meet their commitments to local programming.
17. Accordingly, cable BDUs, including exempt cable BDUs, are not eligible to contribute to the small market fund in order to satisfy their requirements to contribute to the production of Canadian programming. The Commission is satisfied that the CFTPA's concern is adequately addressed by the current language of the proposed exemption order and has not amended it with respect to this issue.

² See *Contributions to Canadian programming by broadcasting distribution undertakings*, Broadcasting Public Notice CRTC 2003-38, 16 July 2003.

Distribution of VoicePrint in Francophone markets

Positions of parties

18. Vidéotron noted that section 6(2) of the proposed exemption order requires that exempt BDUs distribute the programming service of The National Broadcast Reading Service Incorporated (VoicePrint) as the secondary audio program of the CBC Newsworld programming service, wherever CBC Newsworld is distributed. However, the current requirements for the distribution of VoicePrint by cable BDUs only require the distribution of VoicePrint in Anglophone markets. Vidéotron requested that section 6(2) of the exemption order be amended to apply only to exempt undertakings operating in Anglophone markets.

The Commission's determination

19. The Commission agrees with Vidéotron's recommendation and has amended the appropriate section of the exemption order accordingly.

Exemption of incumbent cable BDUs that serve a market also served by a new entrant

Position of parties

20. SaskTel submitted that, under the proposed exemption order, some existing Class 2 cable BDUs that serve portions of Saskatchewan and compete with SaskTel for subscribers may be eligible for exemption. SaskTel noted that the Commission's policy has been to license BDUs that compete directly with each other in a comparable manner to ensure that they compete on a level playing field. SaskTel indicated that it would not object to an already exempt undertaking remaining exempt should SaskTel choose to compete in its service area. It argued, however, that exempting a cable BDU that currently competes with SaskTel or another Class 1 cable BDU would be "contrary to the principle of fair competition" since the licensed Class 1 cable BDU would be required to operate under considerably greater regulatory obligations than its exempted competition.

The Commission's analysis and determination

21. The Commission notes that, in Public Notice 2003-23, it clarified that its policy of assigning new entrant BDUs the same class of licence as the incumbent cable BDU with which it will compete, regardless of the number of subscribers served by the new entrant, was not intended to alter the manner in which the incumbent cable BDU was licensed. In particular, the Commission was explicit in stating that an exempt undertaking would not require re-licensing should a Class 1 cable BDU extend its service area to include a portion of the service area of an exempt undertaking.
22. In addition, the Commission notes that, in applying for its licence, SaskTel requested a single Class 1 licence that would cover several service areas throughout Saskatchewan. The Commission viewed this type of licensing as appropriate since SaskTel would be competing directly with incumbent Class 1 cable BDUs in certain of its service areas. In

licensing SaskTel in this manner, it was not the Commission's intent to alter the licensing framework applicable to other cable BDUs that may compete with SaskTel. The Commission considers that it would be unreasonable for an incumbent cable BDU to be ineligible for exemption because it competes with SaskTel or another Class 1 entrant that operates in a larger service area that includes both Class 1 and 2 incumbent cable BDUs. Accordingly, the Commission has not amended the exemption order in response to this concern.

Other matters

Distribution of the CPAC programming service

23. The Commission has modified paragraphs 6 and 7 of the exemption order to better reflect the Commission's determinations with respect to the distribution by Class 2 cable BDUs of the Parliamentary programming service and the related Cable Public Affairs Channel Inc. (CPAC) programming service contained in the Regulations and in Distribution Order 2002-1 set out in Appendix 2 of *Licence renewal for CPAC; and issuance of a distribution order*, Broadcasting Decision CRTC 2002-377, 19 November 2002, respectively.

Implementation

24. Appendix B to this notice lists the BDUs that the Commission considers may be eligible for exemption under this order or under the small cable exemption order. However, the Commission's information regarding certain cable BDUs is incomplete with respect to matters such as their interconnection with other systems. Thus, the onus rests with the licensee of each BDU to determine whether it qualifies for exemption under the order and to choose to apply for a revocation of its licence. Unless the licence is revoked, a licensee would remain responsible for all obligations associated with its licence (for example, those related to the payment of broadcast licence fees). The Commission would welcome the assistance of associations such as the CCTA and the Canadian Cable Systems Alliance in identifying those undertakings that may qualify for exemption under the *Exemption order respecting cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers*, set out in Appendix A to this notice.
25. As is the case with the exemption of cable BDUs serving fewer than 2,000 subscribers, exemption of a cable BDU serving between 2,000 and 6,000 subscribers will be effective upon the Commission's issuance of a decision revoking a cable system's broadcasting licence, and will not be applied retroactively. In particular, if a cable BDU meets the exemption criteria and submits an application for the revocation of its licence on or before **31 August 2004**, the Commission will be able to issue a decision revoking its licence before 30 November 2004. This will ensure that the Part II licence fees that would otherwise have been due and payable on 30 November 2004 and the Part I licence fees due and payable 1 April 2005 will not apply to these exempted BDUs. Although the Commission will deal expeditiously with any applications received after 31 August 2004, it cannot guarantee that it will be able to issue a revocation decision before the Part II licence fees are due and payable. Other issues related to licence fees are dealt with in

Transition rules for broadcasting licence fees, Broadcasting Circular CRTC 2004-461, also issued today.

Section 48 of the Regulations

26. As indicated above, in Public Notice 2003-65, the Commission invited comments on its proposal to remove the reference to Class 2 cable BDUs from section 48 of the Regulations. The Commission received two comments, one of which was from the CCTA, which supported the amendment.
27. Accordingly, the Commission has amended section 48 of the Regulations. The amendment is set out in Appendix C to this notice. It was registered and came into force on 2 April 2004 and was published in Part II of the *Canada Gazette* on 21 April 2004.

Secretary General

This document is available in alternative format upon request and may also be examined at the following Internet site: <http://www.crtc.gc.ca>

Appendix A to Broadcasting Public Notice CRTC 2004-39

Exemption order respecting cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers

Pursuant to section 9(4) of the *Broadcasting Act* (the Act), the Commission, by this order, exempts from the requirements of Part II of the Act and any regulations made thereunder, those persons carrying on broadcasting distribution undertakings of the class defined by the criteria outlined below.

Purpose

The purpose of these broadcasting distribution undertakings is to serve small and rural communities, and serve between 2,000 and 6,000 subscribers.

Description

1. The Commission would not be prohibited from licensing the undertaking by virtue of any Act of Parliament or any direction to the Commission by the Governor in Council.
2. In total, the number of subscribers served by the individual undertaking is 2,000 or more, but not more than 6,000. The undertaking operates its own head end. The undertaking did not, as of 19 May 1995, serve all or part of the same service area as that of a cable undertaking that is a Class 1 licensee, as defined in the *Broadcasting Distribution Regulations*, or did not otherwise, at the time the undertaking first qualified for exemption, serve all or part of the same service area as that of a cable undertaking that is a Class 1 licensee. Once exempt, an undertaking shall at no time have more than 6,600 subscribers.
3. The undertaking meets all the technical requirements of the Department of Industry (the Department) and has acquired all authorizations or certificates prescribed by the Department.
4. For the purpose of this order, the definitions of “anglophone market,” “basic band,” “basic service,” “Canadian production fund,” “Category 1 service,” “Category 2 service,” “community channel,” “community programming,” “comparable,” “contribution to local expression,” “Corporation,” “educational television programming service,” “extra-regional television station,” “francophone market,” “House of Commons programming service,” “independent production fund,” “licensed,” “local television station,” “official contour,” “pay television service,” “privately owned local television station,” “programming service,” “related programming undertaking,” “regional television station,” “specialty service” and “station” have the same meaning as in the *Broadcasting Distribution Regulations*; and “service area” shall mean the area in which an exempt undertaking carries on a broadcasting distribution undertaking.

5. (1) All services of Canadian local television stations, regional television stations, educational television programming services designated by the province in which the undertaking is located, and extra-regional television stations other than affiliates or members of a network of which a local television station is an affiliate or member, are distributed over the undertaking. If not otherwise included in the list above, the undertaking must distribute the programming service of at least one television station owned and operated by the Corporation, in each of the official languages.
 - (2) In each case, the programming services referred to in 5(1) must be distributed with no degradation of the received signal. In addition, the undertaking shall distribute these services as part of its basic service on channels beginning with the basic band.
 - (3) If the undertaking receives programming services that are identical, the undertaking is required to distribute only one of them under 5(1).
 - (4) If the programming services of two or more regional television stations that are affiliates or members of the same network are received at the local head end, the undertaking is required to distribute only one of them.
 - (5) If the undertaking was not required to distribute a programming service described in 5(1), including an educational programming service, as part of its basic service at the time it first qualified for exemption, the undertaking is not required to distribute that service under 5(1), but may distribute it as part of the basic service.
6. The undertaking must distribute, as part of the basic service,
 - (1) the Aboriginal Peoples Television Network programming service;
 - (2) the programming service of TVA Group Inc. (CFTM-TV Montréal or the programming service of one of its affiliates);
 - (3) if the undertaking is operating in a francophone market, the licensed public affairs programming service of the Cable Public Affairs Channel Inc. (CPAC) and the House of Commons programming service, including the main audio channel of that service in the French language and an auxiliary audio channel of the service in the English language;
 - (4) if the undertaking is operating in an anglophone market, the licensed public affairs programming service of CPAC and the House of Commons programming service, including the main audio channel of that service in the English language and an auxiliary audio channel of the service in the French language; and
 - (5) if the undertaking is operating in an anglophone market and distributes the CBC Newsworld programming service, the programming service of National Broadcast Reading Service (VoicePrint) as the secondary audio program of the former service.

7. An undertaking that has a nominal bandwidth capacity of 750 MHz or more and that delivers any programming service on a digital basis shall also distribute:
 - (1) at least one pay television service in each official language;
 - (2) all French-language and English-language Canadian specialty services, other than Category 2 services;
 - (3) if the undertaking is operating in a francophone market, the licensed public affairs programming service of CPAC and the House of Commons programming service, including the main audio channel of that service in the English language; and
 - (4) if the undertaking is operating in an anglophone market, the licensed public affairs programming service of CPAC and the House of Commons programming service, including the main audio channel of that service in the French language.
8. An undertaking that has a nominal bandwidth capacity of less than 750 MHz and that delivers any programming service on a digital basis shall distribute:
 - (1) at least one French-language Canadian specialty service, excluding those that the undertaking may be required to distribute under 5 or 6 above, for every ten English-language programming services distributed by the undertaking, if the undertaking is operating in an anglophone market;
 - (2) at least one English-language Canadian specialty service, excluding those that the undertaking may be required to distribute under 5 or 6 above, for every ten French-language programming services distributed by the undertaking, if the undertaking is operating in a francophone market;
 - (3) if the undertaking is operating in an anglophone market, each English-language Category 1 service that the operator of which is authorized to provide to all or part of the service area of the undertaking; and
 - (4) if the undertaking is operating in a francophone market, each French-language Category 1 service that the operator of which is authorized to provide to all or part of the service area of the undertaking.
9. An undertaking operating in an anglophone market shall distribute on an analog basis at least the same number of French-language Canadian programming services as it distributed on an analog basis on 10 March 2000.
10. The undertaking must not provide a subscriber with any programming services, other than those licensed to carry on pay-per-view services, video-on-demand services or exempt programming services, without also providing the basic service described in 5.

11. The undertaking must not alter or delete a programming service in the course of its distribution except:
 - (1) for the purpose of complying with section 329 of the *Canada Elections Act*;
 - (2) for the purpose of deleting a programming service to comply with an order of a court prohibiting the distribution of the service to any part of the service area;
 - (3) for the purpose of altering a programming service to insert an emergency alert message in accordance with an agreement entered into with the operator of the service or the network responsible for the service;
 - (4) for the purpose of preventing the breach of programming or underlying rights of a third party, in accordance with an agreement entered into with the operator of the service or the network responsible for the service; or
 - (5) for the purpose of deleting a subsidiary signal, unless the signal is, itself, a programming service or is related to the service being distributed.

12. (1) The undertaking shall delete the programming service of a television station and substitute the programming service of a Canadian privately owned local television station or, with the agreement of the broadcaster operating the privately owned local television station, shall have that broadcaster carry out the deletion and substitution, if
 - (a) the main studio of the privately owned local television station
 - (i) is located within the service area of the undertaking, and
 - (ii) is used to produce locally originated programming;
 - (b) the programming service to be deleted and the programming service to be substituted are comparable and simultaneously broadcast;
 - (c) the privately owned local television station has a higher priority under 5; and
 - (d) in a case where the broadcaster operating the privately owned local television station is not to carry out the deletion and substitution under an agreement with the undertaking, the undertaking has, at least four days before the date on which the programming service is broadcast, received from the broadcaster operating the privately owned local television station a written request for the deletion and substitution.

- (2) If a substitution is requested by more than one broadcaster, the undertaking shall give preference to the programming service of the television station that has the highest priority under article 5.

- (3) An undertaking may discontinue a deletion and substitution if the programming services in respect of which the deletion and substitution are made are not, or are no longer, comparable and broadcast simultaneously.
13.
 - (1) The undertaking must not distribute a programming service that the undertaking originates and that contains:
 - (a) anything that contravenes any law;
 - (b) any abusive comment or abusive pictorial representation that, when taken in context, tends to or is likely to expose an individual or group or class of individuals to hatred or contempt on the basis of race, national or ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability;
 - (c) any obscene or profane language or pictorial representation; or
 - (d) any false or misleading news.
 - (2) For the purpose of 13(1)(b), sexual orientation does not include the orientation towards a sexual act or activity that would constitute an offence under the Criminal Code.
14. No service received over-the-air or by satellite or microwave or by optical fibre transmission is distributed over the undertaking, other than a service that the Commission, by regulation or otherwise, has authorized.
15. In respect of each of analog and digital technology, the undertaking shall ensure that a majority of the video and audio channels received by a subscriber are devoted to the distribution of Canadian programming services. Each pay television service, television pay-per-view service, and video-on-demand service shall be counted as a single video channel.
16. If an undertaking that operates in a francophone market distributes the service of ARTV, that undertaking must distribute that service as part of the discretionary package of services that is received by the highest number of subscribers. The fee payable to the service provider shall be \$0.55 per subscriber per month.
17. The undertaking may only distribute non-Canadian-originated services received by satellite in a package with Canadian pay television and/or Canadian specialty services, and such a package must be distributed on a discretionary basis, subject to the following requirements:

- (1) a Canadian pay television service may be linked in a given discretionary package of services with no more than five channels containing non-Canadian programming services. In no case can an undertaking distribute more than five channels of non-Canadian-originated services received by satellite linked with Canadian pay television services, regardless of the number of Canadian pay television services distributed by the undertaking;
 - (2) (a) each Canadian specialty service may be linked in a given discretionary package of services with no more than one channel containing non-Canadian-originated services;
 - (b) an undertaking may designate one U.S. superstation and distribute the signal of that superstation within a given discretionary package of services that may include one or more Canadian specialty and/or pay television services, provided that the superstation is included in a package of services that is distributed on a digital basis only;
 - (c) an undertaking is not permitted to link non-Canadian-originated services received by satellite with a Canadian specialty service distributed on the basic service;
 - (3) any Canadian programming service may be linked with a second set of U.S. network signals offered on a digital basis as part of a discretionary package of services; and
 - (4) an undertaking is not permitted to offer a tier containing only non-Canadian services.
18. (1) Where an undertaking distributes a Category 1 service, the undertaking will not be permitted to distribute that service on a stand-alone basis unless the Category 1 service is also distributed as part of a package.
- (2) An undertaking is not permitted to package an Adult Category 2 programming service in such a way that subscribers are obligated to purchase the service in order to purchase any other programming service. Undertakings are required to take measures to fully block the reception of both the audio and video portions of any Adult Category 2 programming service to subscribers who request that it not be receivable in their home (in either unscrambled or scrambled mode).
19. The undertaking may only distribute a single or limited point of view religious pay or specialty service in a package with other Canadian single or limited point of view religious pay or specialty services, and with any non-Canadian-originated religious services, and all such services must be distributed on a discretionary basis, subject to the following requirements:

- (1) each Canadian single or limited point of view religious pay service may be linked in a single discretionary package of services with no more than five channels containing non-Canadian-originated religious services, but in no case can a single discretionary package of services, whose Canadian component consists only of single or limited point of view religious pay services, contain more than five channels containing non-Canadian religious satellite services, regardless of the number of Canadian single or limited point of view religious pay services included in that package of services; and
 - (2) each Canadian single or limited point of view religious specialty service may be linked, within a discretionary package of services that may include one or more Canadian single or limited point of view religious services, with no more than one channel containing non-Canadian-originated religious services.
20. The undertaking must make a contribution to Canadian programming in each broadcast year of an amount not less than 5% of that undertaking's gross revenues derived from broadcasting activities in the year, less any contribution to local expression made by the undertaking in that year. Contributions to Canadian programming shall consist of:
 - (1) a contribution to the Canadian production fund of at least 80% of the undertaking's total required contribution; and
 - (2) to one or more independent production funds, the remainder of its total required contribution.
21. Where an undertaking elects to offer a community channel as part of its contribution to local expression, the community channel must offer community programming that meets the following requirements:
 - (1) the programming offered must consist of at least:
 - (a) 60% local community television programming consisting of programs that are reflective of the community and produced in the undertaking's service area by the undertaking or by other members of the community served by the undertaking;
 - (b) 30% access programming consisting of programs produced by members of the community served by the undertaking;
 - (2) the programming includes no more than two minutes per hour of promotional messages and at least 75% of this promotional time is made available for the promotion of the community channel, non-related Canadian programming undertakings and for unpaid Canadian public service announcements; and

- (3) the programming offered adheres to:
 - (a) the *Cable television community channel standards*, as amended; and
 - (b) the Canadian Association of Broadcasters' *Voluntary code regarding violence in television programming*, as amended.

Appendix B to Broadcasting Public Notice CRTC 2004-39

List of broadcasting distribution undertakings that may qualify for exemption under *Exemption order respecting cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers* or under *Exemption order for small cable undertakings*³

Items in bold refer to those broadcasting distribution undertakings (BDUs) that may qualify for exemption under this order. Items not in bold refer to BDUs that may be eligible under *Exemption order for small cable undertakings*.

The Commission reminds licensees that the onus rests with the licensee of each BDU to determine whether it qualifies for exemption and to choose to apply for a revocation of its licence.

Province	Licensee / Titulaire	Location / Localité
New Brunswick / Nouveau-Brunswick	Rogers Cable Communications Inc. / Communications Rogers Câble inc.	Allardville Bouctouche Browns Flat Burtts Corner Campbellton Caraquet Caron Brook Centre Napan Centre-Acadie Clair Dalhousie Davis Mill Grand Falls Harvey Highway 505 to Sainte- Anne-de-Kent Jacquet River Keatings Corner Lac Baker Ludford Subdivision McAdam Morrisdale Musquash Subdivision Nasonworth

³ This order is set out in the appendix to *Amendments to the Exemption order for small cable undertakings*, Broadcasting Public Notice CRTC 2002-74, 19 November 2002.

		Noonan
		Patterson
		Petitcodiac
		Richibucto
		Rogersville
		Saint-Antoine
		Saint-Ignace
		Saint-Joseph-de-
		Madawaska
		Sainte-Anne-de-Kent
		Sainte-Marie-de-Kent
		Salmon Beach
		Shediac
		Shippagan
		Sussex
		Tracadie / Neguac
		Tracy
		Welsford
		Willowgrove
		Woodstock
Newfoundland and Labrador / Terre-Neuve-et- Labrador	Benoit Brothers Contracting Limited	Buchans
	Burgeo Broadcasting System	St. Lawrence
	Clearview Cable Limited	Burgeo
		Bartletts Harbour
		Forteau
		L'Anse-au-Clair
		L'Anse-au-Loup
		Plum Point
		Red Bay
		Reefs Harbour
		Sandy Cove
	Davis Inlet Community Television Service Limited	Davis Inlet
	Garfield Young	Grey River
	Bartley Higgins	Paradise River
	Persona Communications Inc.	Barachois Brook
		Brigus
		Conception Bay
		Conception Harbour
		Harbour Main
		Holyrood
		Marystown
		Mud Lake
		Norman's Cove
		Port de Grave

	Ramea Broadcasting Company	Stephenville Ramea
	Rogers Cable Communications Inc. / Communications Rogers Câble inc. Taqamkuk Development Corporation The Community Recreation Rebroadcasting Service Association	Gander Grand Falls Conne River Labrador City / Wabush
Nova Scotia / Nouvelle-Écosse	Bay Communications Incorporated	Liverpool St. Margarets Bay Yarmouth
	Bragg Communications Incorporated	Amherst Antigonish Kingston Nictaux Debert Great Village Masstown Mount Uniacke Windsor Dean Pugwash River John Tatamagouche Wallace Wentworth Milford Station
	K-Right Communications Limited	
	MidMusq Enhancements Inc. North Nova Cable Limited	
	Rush Communications Limited	
Prince Edward Island / Île-du-Prince-Édouard	K-Right Communications Limited	Summerside
Quebec / Québec	132729 Canada Inc. 157114 Canada Inc. 2545-3739 Québec inc. 2730-9913 Québec inc.	Rivière-au-Tonnerre Gracefield Percé Saint-Ludger-de-Milot Sainte-Jeanne-d'Arc (Lac Saint-Jean) Kuujuuaq (Fort Chimo) Marsoui Saint-Pamphile Manseau Akulivik Kahnawake Aupaluk Beauceville
	2822067 Canada Inc. 3039081 Canada inc. 3102-6420 Québec inc. 9056-7074 Québec inc. Akudlivik Cooperative Association Alan Paul Aupaluk Youth Committee Beauce Distribution T.V. inc.	

Câble-Axion Digital inc.	Bedford Biencourt Compton Dixville Eastman Lac-des-Aigles Lac-Mégantic Lacolle Linière Lyster Pont-Rouge Saint-Cyprien (Rivière- du-Loup) Saint-Joseph-de-Beauce Saint-Léon-le-Grand Saint-Marc-des- Carrières Saint-Mathieu-de- Laprairie Saint-Patrice-de- Beaurivage Saint-Paul-de-l'Île-aux- Noix Sainte-Marie (Beauce) Saints-Anges Squatec Sutton
Câblevision du Nord de Québec inc.	La Sarre / Dupuy
Câblo-Saguenay inc.	La Tuque Saint-André-du-Lac- Saint-Jean Saint-Augustin Saint-Charles-de- Bourget Saint-Edmond-les- Plaines
Câblodistribution Kegaska inc. Claude Francoeur	Kegaska Notre-Dame-aux- Buckland Saint-Léon-de-Standon Saint-Luc-de-Dijon Saint-Magloire
Cogeco Câble Beauce inc.	Bernierville Montmagny Saint-Benoît-Labre Saint-Prosper-de-

Cogeco Câble Estrie inc.	Dorchester Saint-Théophile Acton Vale Danville Notre-Dame-du-Bon- Conseil Saint-Théodore-d'Acton Valcourt
Cogeco Câble Gaspésie inc.	Anse-Pleureuse Barachois Bonaventure Chandler Cloridorme Gaspé Grande-Vallée Manche-d'Épée New Carlisle / Saint- Godefroi Rivière-au-Renard Saint-Alphonse-de- Caplan
Cogeco Câble Lac-St-Jean inc.	Roberval / Chambord
Cogeco Câble Laurentides inc.	La Pêche / Hull-Ouest Lac-Carré Saint-Jovite / Mont- Tremblant Sainte-Anne-des-Lacs Val-des-Monts
Cogeco Câble Mauricie (2003) inc.	Daveluyville Gentilly Grand-Mère Louiseville Nicolet Saint-Léonard-d'Aston Sainte-Gertrude Rivière-Beaudette Saint-Anicet Sainte-Justine-de- Newton
Cogeco Câble Montérégie inc.	Saint-Jérôme-de-Matane Tasiujaq Saint-Henri-de-Taillon
Cogeco Câble Rimouski inc.	Harrington Harbour
Comité des Loisirs Qimutjuk	Saint-Ephrem-de-Tring
Coop Câblodistribution de Taillon inc.	
Coop de Câblodistribution de l'Île Coop de Cablodistribution des Prairies	

Coop Télé-câble de St-Adalbert	Saint-Adalbert
Coop Télé-câble Ste-Lucie	Sainte-Lucie-de-Beauregard
Coopérative de Câblodistribution de Boulet	La Tabatière
Coopérative de Câblodistribution de Larouche	Larouche
Coopérative de Câblodistribution de Sagard	Sagard
Coopérative de Câblodistribution de Saint-Léon	Labrecque
Coopérative de Câblodistribution de St-Fabien-de-Panet	Saint-Fabien-de-Panet
Coopérative de Câblodistribution de St-Méthode	Saint-Méthode (Lac St-Jean)
Coopérative de Câblodistribution de Ste-Hedwidge	Sainte-Hedwidge
Coopérative de Câblodistribution Nétagamiou	Chevery
Coopérative Inter Câble de St-Isidore	Sagard (secteur de)
Corporation de radio montagnaise de Mingan	Mingan
Corporation des loisirs de Baie-des-Rochers	Baie-des-Rochers
Corporation Radio Attikamek de Manawan	Manouane
Corporation Tepatcimo Kitotakan	Obedjiwan
Gagnon et Fils Électronique inc.	Saint-Jean-des-Piles
George River Youth Committee	Kangiqualujjuaq
Jacques Poirier	Trinité-des-Monts
La Coopérative de Câblo-Distribution de Brest	Lourdes-de-Blanc-Sablon
La Coopérative de Câblodistribution de l'Île-aux-Coudres	Saint-Bernard-sur-Mer
La Coopérative de Câblodistribution des Éboulements	Les Éboulements
L'Association coopérative d'Ivujivik	Ivujivik
L'Association coopérative de Inoudjouac	Inukjuak
L'Association coopérative de Koartak	Quartaq
L'Association coopérative de Povungnituk	Puvirnituk
L'Association pour la télédistribution & radio la Minerve	La Minerve
Leslie Robert	Saint-Côme-de-Joliette

Lorenzo Roy	La Martre
Michel Moreau	Saint-Majorique-de-Grantham
Michel Richard	Baie-des-Moutons
Misti-Cable Télévision inc.	Sheldrake
Omer Cloutier	Mistissini (Baie-du-Poste)
Oujé-Bougoumou Eenuch Association	Mont-Saint-Pierre
Payne Bay Fishermen's Cooperative Association	Rivière-à-Claude
Persona Communications Inc.	Oujé-Bougoumou
	Kangirsuk
	Îles-de-la-Madeleine
	Rawdon
	Saint-Charles-de-Mandeville
	Saint-Félix-de-Valois
	Saint-Gabriel-de-Brandon
	Sainte-Béatrix
	Sainte-Emélie-de-l'Énergie
	Betsiamites
Société de développement économique de Betsiamites	Salluit
Sugluk Co-operative Association	Saint-Hilarion
Télé-Câble St-Hilarion inc.	Bouchette
Télécâble Bouchette inc.	Saint-Edouard-de-Frampton
Télécâble Frampton inc.	Lac-aux-Sables
Télécâble Groleau inc.	Sainte-Thècle
Télécâble J. Poirier inc.	Esprit-Saint
	Les-Hauteurs-de-Rimouski
	Saint-Antoine-de-Padoue
	Saint-Charles-Garnier
Télécâble Messines inc.	Messines
Télécâble St-Luc de Matane inc.	Saint-Luc (Matane)
Télécâble St-René-de-Matane inc.	Saint-René-de-Matane
Télécâble Tête à la Baleine inc.	Tête-à-la-Baleine
Télédistribution Amos inc.	Amos
	Barraute
	Landrienne

Télévision communautaire de Rivière-St-Jean inc. VIA Câble de la Vallée inc.	Lebel-sur-Quévillon Saint-Félix-de-Dalquier Senneterre Rivière-Saint-Jean
Vidéo Déry ltée	Lac-Humqui Saint-Cléophas Saint-Damase Saint-Moise Saint-Tharcisius Sainte-Marguerite- Marie Baie-Saint-Paul La Baie (ville de) Saint-Raymond
Vidéotron (Régional) ltée / Videotron (Regional) Ltd.	Ascot Corner Cabano Coaticook Cowansville East Angus La Malbaie Lachute Lennoxville Montebello Saint-André-Avellin Saint-Edouard-de- Lotbinière Saint-Joachim-de- Montmorency Sainte-Pétronille Thurso Waterloo Dolbeau Mont-Laurier Princeville Robertsonville Saint-Félicien Thetford Mines Kangiqsujaq
Vidéotron ltée	Waswanipi Maliotenam
Wakeham Bay Co-operative Association Waswanipi Cable Television Inc. Yves Rock	Deer Lake Longlake #77 Reserve Aylmer

Ontario

	Brownsville
	Courtland
	Langton
	Lyons
	Port Bruce
	Port Burwell
	Simcoe
	Straffordville
	Bearskin Lake
Bearskin Lake Band Economic Development Corporation	
Big Cedar (ORO) Residents Association	Big Cedar Estates
Bluewater TV Cable Ltd.	
	Clinton
	Goderich
	Arnprior
	Bracebridge
	Chalk River
	Cobden
	Deep River
	Douglstown
	Fergus
	Gravenhurst
	Hawkesbury
	Huntsville
	Kemptville
	Lancaster
	Napanee
	Parry Sound
	Perth
	Puce
	Renfrew
	Smiths Falls
	Smithville
	Wallaceburg
	Rockwood
	Uxbridge (Port Perry)
	Eabametoong
	Exeter
	Kakabeka Falls
	Wunnumin Lake
	Killaloe
	Horseshoe Valley
Cogeco Cable Halton Inc.	
Compton Cable T.V. Limited	
Eabametoong Cable TV Inc.	
Ex-Cen Cablevision Limited	
Fiber-Tel Electronics Inc.	
Gary David Keith	
Horseshoe Valley Limited Partnership	
Katawapiskak Weecheehitowin Apatisiwin Corporation	Attawapiskat
Kincardine Cable T.V. Ltd.	Kincardine

Kingfisher Lake Socio-Economic Development Corporation	Kingfisher Lake
Mocreebec Development Corp. Ltd.	Moosonee
Moose Factory Cable Inc.	Moose Factory
Norcom Telecommunications Limited	Kenora
North Leeds Cablecom Inc.	Westport
Pe-Tay-Ka-Win Development Corporation	Big Trout Lake
Persona Communications Inc.	Elliot Lake
	Espanola
	Fauquier
	Hanover
	Harty
	Jocko Point
	Kapuskasing
	King Kirkland
	Kirkland Lake
	Listowel
	Markstay
	Massey
	Moonbeam
	Nairn
	New Liskeard
	Opasatika
	Picton
	Port Elgin /
	Southampton
	Sturgeon Falls
	Verner
	Warren
	Pic River
Pic-Heron Bay Development Corporation	
Rabbithill Satech-Vue Ltd.	Ogoki Post
Radio-Television Dubreuilville Corp.	Dubreuilville
Rogers Cable Communications Inc. / Communications Rogers Câble inc.	Bolton
	Erin
	Grand Valley
	Strathroy
	Tillsonburg
Sachigo Development Corporation	Sachigo Lake
Videon CableSystems Inc.	Dryden
	Fort Frances
Vidéotron (Régional) ltée / Videotron (Regional) Ltd.	Rockland

	Wapekeka Community Development Corporation	Wapekeka
	Washaho Socio-Economic Development Corporation	Fort Severn
	Webequie Native Ventures Non-Profit Association	Webequie
Manitoba	3725449 Manitoba Ltd.	Churchill
	Gillam Cable Television Incorporated	Gillam
	La Rivière T.V. Club Inc.	La Rivière
	Native Communication Inc.	Nelson House
	S.R.S. Lynn Lake Inc.	Lynn Lake
	Shaw Cablesystems (SMB) Limited	Portage La Prairie
	Videon CableSystems Inc.	Headingley
		Selkirk
		Thompson
	Westman Media Cooperative Ltd.	Dauphin
Saskatchewan	Access Communications Co-operative Limited	Estevan
		North Battleford
		Weyburn
		White City
		Yorkton
	August Iron	Canoe Narrows
	CIPI Cable Inc.	Beauval
	Eston CATV Co-Operative	Eston
	Harry Catarat	Dillon
	Ile à la Crosse Communications Society Inc.	Ile-à-la-Crosse
	Mankota T V Co-Operative Association	Mankota
	Northern Hamlet of Deschambault Lake	Deschambault Lake
	Northern Hamlet of Turnor Lake	Turnor Lake
	Northern Settlement of Brabant Lake	Brabant Lake
	Northern Village of Cumberland House	Cumberland House
	Northern Village of La Loche	La Loche
	Northern Village of Pelican Narrows	Pelican Narrows
	Pinehouse Communications Society Inc.	Pinehouse
	Ponteix T.V. Club	Ponteix
	Prairie Co-Ax T.V. Limited	Swift Current
	Rouleau Cable T.V. Association Inc.	Rouleau
	Shirley Olson	Kinoosao
	Town of Arcola	Arcola

	Town of Coronach	Coronach
	Town of Craik	Craik
	Town of Hafford	Hafford
	Town of Lampman	Lampman
	Town of Southey	Southey
	Town of Yellow Grass	Yellow Grass
	Village of Ceylon	Ceylon
	Village of Limerick	Limerick
	Village of Medstead	Medstead
	Village of Minton	Minton
	Village of Young	Young
Alberta	576936 Alberta Inc.	Oyen
	Cable T.V. of Camrose Inc.	Camrose
	Cable T.V. of Wetaskiwin Inc.	Wetaskiwin
	Galahad Cable Vision Society	Galahad
	Halkirk Cable TV Society	Halkirk
	Northern Cablevision Ltd.	Grand Centre / Cold Lake
	Shaw Cablesystems Limited	Brooks
		Canmore
		Hinton
	The Rainbow Lake Sporting Association	Rainbow Lake
	Veteran Television Society	Veteran
	Videon CableSystems Inc.	High River
		Lloydminster
		Okotoks
British Columbia / Colombie-Britannique	Big White Cable Co. Ltd.	Big White Village
	Brooks Bay Cable Corporation	Port Alice
	Country Broadcasting Corp.	Black Creek
		Galiano
	David Reid (OBCI)	Whistler
	Fraser Canyon Television Association	Boston Bar
	Geoffrey Charles Pickard	Britannia Beach
	Gillies Bay Community Television Association	Gillies Bay
	Ginglox Development Corporation	Kincolith
	Gitlakdamix Development Corporation	New Aiyansh
	Greenville Television Association	Greenville
	Ken Rawson	Jaffray
	Lake Broadcasting Corp.	Sorrento
	Lexscott Developments Ltd.	Zeballos

Lindell Beach Residents Association	Lindell Beach
Monarch Broadband West Ltd.	Prince Rupert Terrace
Nan-Di-Yon Communications Society	Telegraph Creek
Nimpkish Valley Communications Ltd.	Woss Camp
North Shore Cable Ltd.	Scotch Creek
Panorama Cable Corp.	Panorama Mountain
Persona Communications Inc.	Oliver
Port Renfrew Community Association	Port Renfrew
Reliance Distributors of B.C. Limited	Squamish
Revelstoke Cable T.V. Ltd	Revelstoke
Rose Island Ventures Inc.	Port Simpson
Salmo Cabled Programmes Limited	Salmo
Sayward Valley Communications Ltd.	Sayward
Shaw Cablesystems Limited	Agassiz
	Creston
	Dawson Creek
	Fort St. John
	Invermere
	Lions Bay
	Merritt
	Nanoose Bay
	Quesnel
	Saanich
	Williams Lake
Strata Corporation K353	Kamloops
Sun Country Cablevision Ltd.	Salmon Arm
The Gitanyow Independent School Society	Gitanyow
The Owners, Strata Plan no. Vr 1290	Black Tusk Village
The Wynndel Community T.V. Society	Wynndel
Whistler Cable Television Ltd	Whistler
Northwest Territories / Territoires du Nord-Ouest	
Gardtal Holdings Ltd.	Fort Smith
Ivan Simons	Fort Simpson
Northwestel Cable Inc.	Fort Providence
	Fort Resolution
	Tulita
	Yellowknife
Yellowknife Dene Band Corporation	Detah

Nunavut

Kingait Cablevision Limited

Cape Dorset

**Yukon Territory /
Territoire du Yukon**

Northern Television Systems Ltd.
Northwestel Cable Inc.

The City of Dawson

Whitehorse
Haines Junction
Old Crow
Dawson City

Appendix C to Broadcasting Public Notice CRTC 2004-39

Regulations amending the Broadcasting Distribution Regulations

Amendment

1. The portion of section 48 of the *Broadcasting Distribution Regulations*⁴ before paragraph (a) is replaced by the following:

48. Except as otherwise provided under a condition of its licence, each Class 1 licensee shall

Coming into force

2. These Regulations come into force on the day on which they are registered.

⁴ SOR/97-555