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To: Mr. Martin Proulx
Director General
Innovation, Science and Economic Development Canada
Engineering, Planning and Standards Branch
235 Queen Street
Ottawa, Ontario
K1A 0H5

Subject: **Notice of Engagement Regarding the 600 MHz Transition Plan Objectives and Methodology, Published October 31, 2016**

Dear Mr. Proulx,

1. Bell is pleased to provide its comments to the Department's above noted Notice.
2. We would like to thank the Department for the opportunity to provide Bell Media's comments on this critical consultation as it deals with the establishment of future transition objectives and methodology for over-the-air TV broadcast stations as part of the Department's 600 MHz repurposing initiative in Canada.
3. It should be noted, that Bell has actively participated in the development of the comments submitted to the Department by the Radio Advisory Board of Canada (RABC) and we fully support and endorse the comments provided.
4. As previously indicated in our original filing on the 600 MHz repurposing initiative, Bell believes that over-the-air (OTA) local television remains a cornerstone of the Canadian broadcasting system. These local stations connect, entertain and inform local viewers and reflect the interests and concerns of local communities across the country. Further, programming from these stations can also be received free of charge, over-the-air, without any subscription fee being necessary. OTA stations also still provide significant value and are a low cost means for Canadians to access television.
5. Bell also reaffirms its belief, that additional financial resources are required for local OTA stations in order to develop and enhance local television. These local stations do not have access to subscription revenue and their only source of revenue, advertising, is unfortunately on the decline and is not expected to return to prior levels.
6. As the repurposing of 600 MHz is expected to generate a significant amount of revenues for the Government this would be the ideal time to consider some new policy alternatives for funding of local television stations for communities right across Canada. Bell would like to strongly encourage the Government to utilize some of the revenues generated from the auction process in order to support local television. Making such a revenue fund available would serve to recognize the valuable contribution that OTA services bring to Canadian consumers and to the Canadian broadcasting system in general.
7. Bell would also like to reaffirm our view that affected Canadian broadcasters should be compensated for the cost to change channels as a result of repurposing the 600 MHz Band for mobile services in the US and Canada to facilitate the joint US / Canadian transition.

8. It must be noted, that TV broadcasters will only be able to determine the complexities and costs associated with switching channels for each of their affected stations once the new channel assignments are known following the conclusion of the US auction process. Without a suitable government funded transition, Canadian broadcasters will require additional time to carry out several key steps following the conclusion of the US Incentive Auction of determining the estimated transition costs and attempting to have them included in their annual budgets.

9. The decision by ISED to jointly reduce and repack the television spectrum in order to repurpose the 600 MHz Band for mobile services will create substantial challenges to ensure that we complete the transition at the same time as US broadcasters. As outlined in the RABC comments, there is expected to be considerable competition across both Canada and the US for the timely delivery of key components necessary for the change of channels. This not only involves new antennas and RF/ancillary equipment, but also more importantly, is finding and scheduling competent tower companies with specialized crews with the required associated equipment necessary to install broadcast TV antennas. Given the number of broadcasters expected to be changing channels within the timelines required by ISED, it is expected that access to the above equipment and tower companies will be limited and as a result become more expensive.

10. The reverse auction in the US has made provision for broadcasters to be compensated up to US \$1.75B to change channels of operation. As a result, Bell continues to be of the view that Canadian broadcasters should be compensated for all costs incurred by them in vacating the 600 MHz spectrum to accommodate the above noted transition planning and logistics in order to re-allocate the spectrum to mobile use.

11. As is the case with previous spectrum auctions, and as mentioned previously, Bell fully anticipates that the auction of the 600 MHz spectrum will generate a considerable amount of revenue for the Government. Bell would like to respectfully, but strongly, encourage the Government to consider using a portion of the auction proceeds to support both local programming for OTA TV stations as well as to compensate those broadcasters for the costs associated with the spectrum which they will be vacating.

12. We appreciate the opportunity to provide comments on this very important consultation.

Yours truly,

[Original signed by B. Chapman]

Barry Chapman
Vice President - Regulatory Affairs