

Q&A: CBC/RADIO-CANADA'S DIGITAL TRANSITION PLAN

December 16, 2010 – Canada's switch from analogue to digital over-the-air television is scheduled for August 31, 2011. CBC/Radio-Canada will be installing digital transmitters in all of the markets in which it produces original television programming, for a total of 27 transmitters. The Corporation is striving to have all 27 transmitters operational by August 31, 2011.

1- What's going to happen in August 2011 when the industry is required to shut down analogue transmission?

CBC/Radio-Canada plans to roll out digital transmitters in every community in which it produces original content. The Corporation is striving to have all 27 transmitters operational by August 2011. The Corporation will continue to offer analogue service in all markets not identified by the CRTC as mandatory, for the foreseeable future.

We're confident that the plan we've established will provide an appropriate level of over-the-air service given our financial challenges, given our mandate, and given industry trends. Today, over 92% of Canadians access their television signal via cable or satellite. That number is expected to increase even further as we approach the shutdown date. Under our plan, our estimate is that less than one per cent of Canadians will need to turn to a cable or satellite provider in order to continue to receive our signal.

2- How did you settle on your 27-transmitter plan?

Our decision to roll out digital transmitters in all communities where we originate programming is anchored in regulatory policy. Under the current rules, for CBC/Radio-Canada to guarantee residents of a given community access to their local signal via cable and satellite companies, a local transmitter must be in place in that community.

Given our priority to be deeply rooted in the regions of Canada, we judged it critical to guarantee Canadians their local signal. That is the basis of our plan.

3- Why aren't you doing more?

The *Broadcasting Act* mandates CBC/Radio-Canada to "be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose."

Today, Canadians receive CBC/Radio-Canada's television services through a variety of platforms including over-the-air, cable, satellite and the Internet. Over 92% of Canadians access their television signal via cable or satellite. The plan to transition to over-the-air digital television in key markets will support the modernization of CBC/Radio-Canada's multi-platform delivery system and enable the Corporation to

continue to provide Canadians with high-quality content through the most appropriate and efficient means.

Continuing to offer over-the-air television – digital or otherwise – is important as Canadians continue their transition towards connection to the digital economy. Ultimately, however, it is in the best interest of our industry and of our society to see all Canadian homes connected to high-speed internet, broadband satellite or cable, and other future broadband consumer services, where the future of our industry clearly lies.

We're confident that the plan we've established will provide an appropriate level of over-the-air service. When all is said and done, less than one per cent of Canadians will need to turn to a cable or satellite provider if they wish to continue to receive our signal.

4- How many digital transmitters do you currently have up and running?

CBC/Radio-Canada currently has eight digital transmitters in operation: Toronto (E & F); Montreal (E & F); Ottawa (E & F); Vancouver (E); Quebec City (F).

5- Are you looking for additional funding to get this done?

No. Government has indicated that broadcasters will be responsible for funding the transition on their own. The Corporation has therefore budgeted the capital required to install DTV transmitters in all markets where it originates programming by August 2011.

6- What do you plan on doing to advise viewers of the change?

The digital transition is an industry wide issue. It will require a concerted effort by all players to ensure that Canadians are properly informed of the changes coming and how to deal with them.

The announcement of our digital transmitter roll-out plan in August 2010 was the first step in the conversation that we'll need to have with Canadians about the upcoming changes.

Starting on March 1st, 2011, CBC/Radio-Canada – along with other conventional broadcasters – will begin broadcasting televised Public Service Announcements to advise Canadians about the upcoming transition and how to deal with the change.

9- How much does it cost to replace a transmitter?

The average cost of installing a new DTV transmitter is \$1 million, although the cost can vary greatly from site to site. Each DTV transmitter station requires a customized design, involving the balance of such factors as antenna design, height on the tower, transmitter power, etc.

10- What's involved in replacing a transmitter?

Replacing analogue TV service at a transmitter site with DTV service can be done in one of two ways: by installing an independent DTV transmitter adjacent (in the same transmitter room) to the existing analogue transmitter, or via a “hard cut”.

In the former case, a new DTV transmitter, transmitting antenna and interconnected transmission line is installed and tested. In this instance, the DTV transmitter is ready to go on the air independently of the analogue system.

In the case of a “hard cut”, parts of the existing analogue system – i.e. the transmitting antenna, or antenna aperture on the tower – are reused. In such a case, the conversion from analogue to digital transmission occurs overnight and there is no longer analogue service available to the community the following morning after the switch has taken place.

Deciding which of the options applies is a function of the transmitting channels of the analogue and DTV services, the available tower aperture, available space in the transmitter building, etc.

11- Do you think it's important to keep offering over-the-air signals despite the penetration of cable and satellite in Canada?

Continuing to offer over-the-air television – digital or otherwise – is important as Canadians continue their transition towards connection to the digital economy. Ultimately, however, it is in the best interest of our industry and of our society to see all Canadian homes connected to high-speed internet, broadband satellite or cable, and other future broadband consumer services, where the future of our industry clearly lies.

That being said, CBC/Radio-Canada believes in its responsibility to be anchored in communities across the country and be readily accessible to as many Canadians as possible. That's why we're going to be offering over-the-air digital service in all of those locations where we originate local programming.

12- Do you plan to keep broadcasting in analogue wherever possible?

CBC/Radio-Canada will continue to broadcast in analogue wherever it is permitted to.

The CRTC has stated that broadcasters will be able to continue broadcasting in analogue in markets that have not been identified as mandatory for the “foreseeable future”. Two immediate conditions apply: 1) broadcasters can only operate in unprotected status (meaning digital signals have precedence over analogue ones), and 2) the analogue service cannot interfere with regular DTV service in the area.

There is then a third condition: in non-mandatory markets located in the Canada-US coordination zone (i.e. within 350 km of the US border), broadcasters required to vacate UHF channels 52-69.

13- How long do you plan to continue broadcasting in analogue?

We cannot continue to broadcast in analogue indefinitely. The useful life of CBC/Radio-Canada's satellite distribution backbone for analogue transmission ends in 2013. The Corporation will not reinvest in that infrastructure given the inevitability of analogue obsolescence.

In addition, given that the U.S. and most of Europe have already made the transition, the availability of analogue transmitter spare parts, modules and power tubes, is rapidly evaporating. The cost is therefore on the rise. It will soon be impossible for CBC/Radio-Canada to maintain its analogue transmission infrastructure even if it wanted to.