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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Advanced Television Systems and Their Impact upon the Existing Television Broadcast Service	)))))	MM Docket No. 87-268

ORIGINAL FILE

COMMENTS OF NASA

The Network Affiliated Stations Alliance ("NASA") hereby files these comments in support of the petitions for reconsideration filed in the above-referenced docket on June 22, 1992 by the Association for Maximum Service Television, Inc. ("MSTV Petition"), the National Association of Broadcasters ("NAB Petition"), and by three joint parties, Diversified Communications, Maine Radio and Television Company, and Guy Gannett Publishing Company ("Joint Party Petition").[1/]

The petitions seek reconsideration of the 5-year HDTV application/construction deadline established in the Second Report and Order/Further Notice of Proposed Rulemaking, FCC 92-174, adopted in this docket on April 9, 1992 and released May 8, 1992 ("Second Report"). Under this deadline, broadcasters in the initial pool of eligibles for HDTV channels must (1) apply for HDTV channels no later than two years after the latter of the adoption of a new Table of

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1/ NASA is an informal coalition comprised of the ABC Television Network Affiliates Association, the CBS Television Network Affiliates Association, and the NBC Television Network Affiliates Association.

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Allotments or the selection of an ATV broadcast transmission standard; and (2) construct their HDTV stations within three years of the grant of their construction permit. Second Report at ¶¶ 22-23.

As the petitions make clear, these rigid deadlines fail to take into account a host of critical factors which will control how quickly broadcasters will be able to implement HDTV and which are largely unknown at this point. These factors include the cost and availability of HDTV production and transmission equipment, HDTV receiver availability and penetration rates, the supply of HDTV programming, and the ability of broadcasters to obtain the financing necessary to construct costly new facilities.[2/] In ignoring the economic realities broadcasters will face in implementing HDTV, the application/construction deadline established by the Second Report is wholly unrealistic and may force stations to make premature, unduly risky investments. Not only could this actually delay the transition to HDTV, it also runs counter to what the Commission has stated previously as its primary objective in this proceeding: ensuring that the unique benefits of the universally available local broadcast system can be achieved and preserved in the advanced

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[2/] The NAB Petition also points out that a broadcaster's efforts to build HDTV facilities, no matter how well financed and aggressively pursued, could be slowed by litigation over HDTV channel assignments, a shortage of qualified personnel to construct HDTV facilities, and delays encountered in obtaining the necessary zoning and environmental approvals for new HDTV antenna towers. NAB Petition at 16-17.

television environment. See Tentative Decision and Further Notice of Inquiry, 3 FCC Rcd 6520, ¶ 39 (1988); MSTV Petition at 7-11.

Instead of tying HDTV implementation deadlines to real-world, marketplace factors, the Commission has created an artificial, regulatory imperative that will impose substantial and inequitable risks on broadcasters in an effort to give a regulatory jump-start to this new technology. See MSTV Petition at 13-15. This is an especially hazardous course given the current financial straits and long-term structural problems currently afflicting the industry. NAB Petition at 22-24. The Second Order's application/construction deadline also runs counter to the warnings and data collected by the ATV Advisory Committee, id. at 10-11, 14-20, as well as the vast majority of commenters.

The petitions also correctly point out that any implementation deadlines established by the Commission should be staggered to accommodate smaller market stations, as recently suggested by the Advisory Committee and as supported by a 1991 study prepared by CBS. See Fifth Interim Report of the FCC Advisory Committee on Advanced Television Service at 11 (March 24, 1992); High Definition Television Transition Scenario for TV Stations: A CBS Work-In Progress at 14-15 (February 20, 1991). The disparities in resources -- both in terms of revenues and staffing -- between stations in different size markets can be quite dramatic. See NAB

Petition at 24-25. The capital investment and personnel demands necessary to convert to HDTV will prove a challenge to any size station, but will be a monumental task to smaller stations. This burden will be eased if the Commission were to stagger its application and construction deadlines by market size, allowing smaller market stations to benefit from the economies of scale that will make equipment more affordable several years into the implementation of HDTV. As noted by NAB, a staggered approach will also ease the enormous, short-term demand that an across-the-board deadline would place on equipment manufacturers and technical personnel needed to construct HDTV facilities.

NASA urges the Commission to reconsider the application/construction deadline established by the Second Report. The Commission should adopt the three-year application deadline originally proposed, and, in addition, provide greater flexibility with respect to the financial qualification requirement.[3/] NAB Petition at 9. The Commission also should not set a construction deadline now but should instead declare that at some definite point after the adoption of an ATV transmission standard, when sufficient,

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[3/] NASA agrees with MSTV that the application period should be three-years given that, as acknowledged in the Second Report, the strong majority of commenters viewed this period as "reasonable". Id. at ¶ 20. NAB did not oppose the two-year application period adopted in the Second Report, but urged the Commission to modify its financial qualification requirements to provide broadcasters more flexibility. NAB Petition at 8-9.

real-world information is available, it will establish an appropriate construction deadline.

Respectfully submitted,

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Date: July 15, 1992

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of July 1992 I served by first-class, postage prepaid mail the foregoing Comments of NASA on the following parties:

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