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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Re: Docket No. 87-268

Dear Acting Secretary Caton:

This letter reports that representatives of the Association for Maximum Service Television, Inc. ("MSTV"), met (a) with Robert Pepper, Chief of the Office of Plans and Policy on Thursday, June 27; (b) with James Coltharp, Legal Advisor to Commissioner Quello, David Siddall, Legal Advisor to Commissioner Ness, and Jane Mago, Senior Legal Advisor to Commissioner Chong on Monday July 1; and (c) with Julius Genachowski, Special Assistant to Chairman Hundt on Tuesday, July 2. The conversations covered topics already set forth in pleadings submitted in this proceeding by MSTV and other broadcast organizations. The meetings reported on herein were follow-up meetings to those held the week of June 17 that were disclosed in an ex parte letter dated June 21, 1996.

MSTV representatives emphasized at both initial and follow-up meetings that they strongly support the effort to reclaim spectrum after the DTV transition. However, they pointed out that the "core-channel" concept, i.e., biasing the DTV allotment/assignment table against the use of channels 2 - 6 and 52 - 59, as well as channels 60 - 69, is inconsistent with the principle that all existing broadcast spectrum should be used for the very difficult task of doubling the stations in existing television spectrum. It is unnecessary and undesirable to inject the bias of the core-channel concept into the table at this time because no one knows exactly how DTV assignments will need to change during the transition or what spectrum will be most valuable to other users after the transition has been completed. In addition, a decision to bias channel assignments at this time would preclude many broadcasters currently operating on channels 2 - 6 from choosing at the end of the transition to switch their digital operations to their original NTSC channels.

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In particular, MSTV representatives pointed out that the possible channel 61 - 69 proposal (whereby the allotment of DTV channels in this spectrum would be minimized) is undesirable for four reasons:

(1) biasing the DTV table away from the use of channels 60 - 69 for DTV allotments/assignments would rob the transition process of the flexibility necessary to accommodate adjustments to the table as the public and the industry begin to have experience with digital transmissions in a real world environment, the DTV field tests having operated in this mode for only 35 hours;

(2) it would require cramming many more DTV channels into spectrum below channel 60, one consequence of which would be increased interference to existing NTSC service (see Attachment A);

(3) the same over-crowding of the lower channels would reduce DTV coverage (see Attachment A); and

(4) the displacement of all NTSC translators and LPTVs (some 1850 in total, approximately 80 percent of which are translators) from channels 60 - 69, the displacement of NTSC translators and LPTVs in the lower channels due to the greater use of these channels for main-station DTV channels, and the greater difficulty due to this congestion of finding DTV channels for these translator and LPTV stations would destroy this valued, albeit secondary, service to the American public.

MSTV, along with other broadcast organizations, strongly believes that the main elements of the FCC staff's proposed approach to DTV allotments/assignments, as we understand it, reflect tremendous progress and very substantially narrow the differences between the industry and the FCC staff. MSTV believes and has advocated that the Commission should issue its proposed table as promptly as possible. The broadcast industry then should respond with suggested adjustments and MSTV will recommend deletion of the channel 60 - 69 and core-channel proposals.

Any questions with respect to this matter should be directed to the undersigned.

Respectfully submitted,

Jonathan Blake /EPG

Jonathan D. Blake
Ellen P. Goodman
Attorneys for the
Association for Maximum Service
Television, Inc.

cc: Mr. Robert Pepper
James Coltharp, Esq.
Julius Genachowski, Esq.
Jane Mago, Esq.
David Siddall, Esq.

ATTACHMENT A

There was substantial confusion in the meetings reported on in the cover letter concerning the coverage and interference costs associated with the Commission staff's channel 60 - 69 pre-repacking proposal As indicated in the cover letter, there are two components to this loss of service The first component consists of a loss of existing NTSC service due to interference and the second component consists of a reduction in DTV coverage.

With respect to the first component, the result of using a plan biased away from channels 60 - 69 is that the NTSC interference area would increase from 2.7 percent to 4.1 percent — an increase of some 52 percent. This interference will occur primarily in the most congested markets. This might be viewed as an increase of only 1.4 percent, but the proper baseline is the "new" interference to NTSC service created by a plan that achieved 100% replication and no "new" interference to NTSC service. This baseline was used by the Advisory Committee to evaluate competing DTV systems during the DTV transmission "Bake-off" to select the 8-VSB transmission system and should continue to operate in assessing the interference effects of various plans.

With respect to the second element -- the loss of DTV coverage during the transition due to cramming more DTV channels into channels 7 - 59 -- the staff proposal would reduce DTV coverage by some 1.2 percent, the denominator being the total national DTV coverage. The reason the percentage is so low is because the denominator is so large. In individual markets and for individual stations, the loss of coverage might be substantial and might impinge on the efforts to replicate NTSC coverage by creating unacceptable discrepancies in coverage between competitors in the same markets.

* * *

These above figures are based on what we understand to be the staff's calculations and do not reflect the fact that broadcasters may use different assumptions from the staff and that, therefore, broadcaster calculations may be different. For example, the staff makes a different assumption regarding the co-location of adjacent channels than that of the industry, which believes that exact co-location is necessary to prevent excessive adjacent channel interference Furthermore, since MSTV is not aware of all of the technical assumptions underlying the staff's table, it believes that it is desirable for the Commission to issue the Notice of Proposed Rulemaking as soon as possible so that these differences in assumptions can be closely examined on the record, their consequences quantified, and appropriate adjustments recommended.