

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

In the Matter of)
)
Implementation of the Satellite Home)
Viewer Improvement Act of 1999)
)
Broadcast Signal Carriage Issues)

CS Docket No. 00-96 /

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

REPLY OF DIRECTV, INC.

DIRECTV, Inc. ("DIRECTV") offers the following Reply to the oppositions filed by various broadcast interests¹ to DIRECTV's pending Petition for Reconsideration ("Petition") of the Report and Order adopted by the Commission in the above-captioned docket (the "Order").²

DIRECTV's Petition asks the Commission to revisit several rules and a discrete finding in the Order that unnecessarily and impermissibly create burdens on satellite carriers, and barriers to the expansion of local channel offerings, which plainly go even beyond those burdens that Congress intended in enacting the SHVIA. Although various broadcast interests predictably have opposed the relief requested in DIRECTV's Petition, their arguments are without merit.

¹ See Joint Opposition of the Association of America's Public Television Stations, the Public Broadcasting Service, and the Corporation for Public Broadcasting to the Petition for Reconsideration of DIRECTV, Inc. (April 12, 2001) ("Public Television Opposition"); Opposition to DIRECTV, Inc.'s Petition for Reconsideration Filed By the Association of Local Television Stations, Inc. (April 12, 2001) ("ALTV Opposition"); Response of National Association of Broadcasters to DIRECTV Petition for Reconsideration (April 12, 2001) ("NAB Response"); Opposition of the Network Affiliated Stations Alliance to the Petition for Reconsideration Filed By DIRECTV, Inc. (April 12, 2001) ("NASA Opposition"); Comments of Paxson Communications Corporation on Petitions for Reconsideration (April 12, 2001) ("Paxson Comments").

² In the Matter of Implementation of the Satellite Home Viewer Improvement Act of 1999: Broadcast Signal Carriage Issues, Retransmission Consent Issues, *Report and Order*, CS Docket Nos. 00-96, 99-363, FCC No. 00-417 (rel. Nov. 30, 2000).

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I. THE COMMISSION MUST PLACE A MEANINGFUL LIMIT ON SATELLITE CARRIERS' OBLIGATIONS TO CARRY NON-COMMERCIAL EDUCATIONAL STATIONS

In its Petition, DIRECTV argued that, contrary to the text of Section 338(c)(2), the Commission has failed to prescribe regulations that meaningfully "limit[] the carriage requirements . . . with respect to the carriage of multiple local noncommercial television broadcast stations."³ The only limiting principle that the Commission has applied to the carriage of noncommercial educational ("NCE") stations by satellite carriers is a narrow "limitation principle based upon duplicative programming"⁴ that in effect creates a far more expansive NCE carriage obligation for satellite carriers than the current cable NCE carriage requirement, both in terms of the number of stations required to be carried and in terms of the overall channel capacity that must be devoted to NCE carriage. Because these results do not comport with Congress's directive for the Commission to provide "[t]o the extent possible. . . the same degree of carriage by satellite carriers of such multiple stations as is provided by cable systems,"⁵ DIRECTV requested the Commission to adopt a specific NCE carriage limit for satellite carriers that takes into account the (i) nationwide character of satellite-based services, (ii) the finite channel capacity of satellite systems, and (iii) the larger local service areas of satellite carriers relative to cable operators. DIRECTV recommended that the required maximum limit be one NCE station per DMA, which provides for a reasonable balance that will ensure, as Congress instructed, that the NCE carriage rule adopted for satellite carriers is not disproportionately onerous vis-à-vis cable operators.

³ See 47 U.S.C. § 338(c)(2); Order at ¶ 84.

⁴ Order at ¶ 87.

⁵ 47 U.S.C. § 338(c)(2).

Various entities representing the interests of non-commercial broadcasters have opposed DIRECTV's proposal. As a matter of statutory interpretation, they state that Congress' "use of the word 'multiple'" in Section 338(c)(2) "plainly contemplates carriage of more than one local noncommercial station per market."⁶ And without materially addressing the points raised in DIRECTV's Petition, they simply re-assert in conclusory fashion that the rule the Commission has adopted, which will greatly and needlessly limit the amount of DBS channel capacity that can be used to expand local-into-local services, is nonetheless consistent with the Congressional directive that the Commission promulgate regulations that "[t]o the extent possible" provide "the same degree of carriage by satellite carriers of such multiple stations as is provided by cable systems under Section 615."⁷ Both of these claims are incorrect and should be rejected.

First, the focus of the non-commercial broadcast interests on the word "multiple" in Section 338(c)(2) is both misleading and ironic. To be sure, the text of this provision refers to the carriage of "multiple local noncommercial television broadcast stations."⁸ But it does so in the context of directing the Commission to "prescribe regulations *limiting the carriage*" of these stations.⁹ Indeed, DIRECTV's proposal is far more consistent with this statutory directive than the Commission's present rule with respect to NCE station carriage.

Furthermore, the non-commercial interests conveniently ignore the text and structure of Section 338 in other respects. As DIRECTV pointed out in its Petition, unlike Section 338(c)(1)), which contains express language authorizing the Commission to utilize "substantial

⁶ Public Television Opposition at 7-8.

⁷ *Id.* at 5; *see* 47 U.S.C. § 338(c)(2).

⁸ 47 U.S.C. § 338(c)(2).

⁹ *Id.* (emphasis added).

duplication" as the touchstone for limiting the carriage obligation with respect to commercial stations,¹⁰ Section 338(c)(2) does not. Instead, the Commission is clearly instructed to "limit[]" the satellite carrier obligation to carry NCE stations, and to do so with reference to Section 615 of the Communications Act for guidance.¹¹ Section 615 in turn imposes numerical limits on the cable carriage of NCE stations that are calibrated to the channel capacity of individual cable systems.¹² Yet, the Commission's NCE carriage rule does not adopt this approach, and instead looks only to non-duplication as a limiting principle.¹³ If Congress had wished to adopt the Commission's approach, it simply would have included NCEs along with commercial stations in the non-duplication provisions of Section 338(c)(1). It did not do so. Contrary to the non-commercial broadcasters' view of the statute, Congress *must* have intended for *some* additional limits to apply to NCE carriage or Section 338(c)(2) is rendered meaningless. The interpretive result that the non-commercial broadcasters advocate is contrary to fundamental canons of statutory construction,¹⁴ and simply cannot have been intended by Congress.

Second, contrary to the position of the non-commercial interests, the Commission's rule does not even attempt to approximate "the same degree of carriage by satellite carriers of such

¹⁰ 47 U.S.C. § 338(c)(2).

¹¹ *Id.*

¹² Thus, systems of 12 or fewer usable activated channels are required to carry the signal of one qualified local NCE station, while cable systems consisting of more than 36 usable activated channels are required to carry at least three qualified local noncommercial educational stations. *See* 47 U.S.C. § 535(b), (e); Order at ¶ 84, n.197.

¹³ Order at ¶ 87.

¹⁴ *See Bennett v. Spear*, 117 S.Ct. 1154, 1166 (1997) ("It is the cardinal principle of statutory construction . . . that it is our duty to give effect, if possible, to every clause and word of a statute . . . rather than emasculate an entire section.") (citation omitted). *See also AT&T Corp. v. Iowa Utilities Bd.*, 525 U.S. 366, 389-90 (1999) (reversing FCC order that failed to give any effect to limiting phrase in statutory provision).

multiple stations as is provided by cable systems under Section 615." As DIRECTV stated in its Petition, the Commission's analogy of a nationwide satellite system to a local cable system carrying more than thirty-six channels does not work. The Commission itself has emphasized that, unlike the rule it adopted for satellite carriers, "cable operators need not carry all NCE stations licensed to communities in an expansive DMA, but need only carry those NCE stations within 50 miles of the cable system principal headend or which places a Grade B service contour over the principal headend."¹⁵ Thus, large DMAs can contain as many as seven NCE stations,¹⁶ but since (as the Commission explicitly recognizes) "many cable systems" serve a given DMA,¹⁷ it is highly unlikely that even the largest cable operators would be obligated to carry more than one to three qualified NCE stations in their geographic service areas.¹⁸

By contrast, satellite carriers under the Commission's current rule are required to carry *all* qualified NCE stations requesting carriage in the local market unless the programming is substantially duplicative -- a proposition that virtually guarantees that a satellite carrier will be required to carry more NCE stations than even the largest cable system operator in a particular local market. Tellingly, the non-commercial interests offer *no response* to this point.

The Commission's rule is not "comparable" to the burden "borne by cable operators under Section 615,"¹⁹ as the non-commercial broadcasters assert. In the aggregate, the Commission's

¹⁵ *Id.* at ¶ 87.

¹⁶ The Commission noted that eleven of the top thirty-five markets contain more than three NCE stations. *Id.* at n.210.

¹⁷ *Id.* at ¶ 24.

¹⁸ The Commission cites a single example of a cable system with more than 36 channels that must carry 4 qualified NCE stations. *Id.* at ¶ 86, n. 207.

¹⁹ Public Television Opposition at 6.

rule causes NCE station carriage to occupy a much larger percentage of DBS providers' channel capacity relative to any cable system operator in the United States. Once again, this disproportionate burden simply is not consistent with the plain language or the statutory purpose of SHVIA. The plain language of Section 338(c)(2) requires that the Commission achieve the same *degree* of carriage, if possible. The statute itself thus requires some evaluation of the *relative burdens* imposed on satellite and cable, given technological differences. Moreover, the SHVIA's legislative history makes clear that Congress wished to place satellite carriers "in a comparable position to cable systems, competing for the same customers."²⁰

The non-commercial interests advance the completely parochial view that, even if there is a tremendous drain on DBS system channel capacity created by an expansive NCE carriage rule -- one which has the direct effect of curtailing expansion into current or additional local geographic markets -- consumers nevertheless must simply wait for the launch of additional satellites or further advances in compression technology to address the problem.²¹ This position, however, is inconsistent with the Congressional goal of providing fully substitutable, cable-competitive DBS service in as many local markets as possible, as quickly as possible.

The Commission must impose a NCE carriage obligation that balances the benefits to subscribers in local markets provided by a local NCE station with the fact that the absence of any meaningful limitation on the obligation to carry qualified NCE stations is likely to deter satellite carriers from expanding local channel service into additional markets. A rule that places a strict capacity limit on the number of NCE stations satellite carriers are obligated to carry in each market achieves both goals: It ensures access to NCE programming in each local market where

²⁰ Conference Report at 101.

²¹ *Id.* at 6-7.

satellite-based local-into-local service is offered, but is also consistent with the Congressional command that the Commission affirmatively limit the carriage of multiple NCE stations in such markets.

The Commission should, at most, impose a rule that requires the carriage of one qualified NCE station per DMA, with additional NCE stations carried on a voluntary basis.²²

II. "GOOD QUALITY SIGNAL" FOR SATELLITE CARRIAGE PURPOSES IS NOT AND SHOULD NOT BE PEGGED TO THE "LEAST COMMON DENOMINATOR" OF ANALOG CABLE SYSTEM SIGNAL QUALITY

The Commission repeatedly has recognized that satellite carriers differentiate themselves in the multichannel video distribution marketplace by offering generally higher quality signals than cable operators.²³ Unfortunately, in implementing the SHVIA, the Commission defaulted to the existing signal quality standard found in the cable rules to govern when a local broadcaster's signal will be considered to be of "good quality" for purposes of mandatory carriage -- a standard that will not allow satellite carriers to make efficient use of their allocated bandwidth, and that will increase the likelihood of signal degradation. Thus, DIRECTV has asked the Commission to reconsider the standard it has imposed to determine when a broadcaster is delivering a "good quality signal" within the meaning of new Section 338(b) of the Act.

²² The non-commercial interests also do not address the fact that such a rule "works" by analogy to the channel capacity limitations set forth in Section 615. Reference to the number of usable activated analog DBS frequencies that would be used by satellite carriers to provide local-into-local service correlates with the minimum NCE carriage obligation set forth in Section 615.

²³ *See, e.g.,* Annual Assessment of the Status of Competition in Markets for the Delivery of Video Programming, *Sixth Annual Report*, CS Docket No. 99-230 (rel. Jan. 14, 2000), at ¶ 72 (according to survey of DBS subscribers, primary advantages of DBS over cable include "digital quality picture").

NASA opposes DIRECTV's position by asserting that "DIRECTV does not -- and cannot -- argue that the standard adopted by the Commission "fails to assure a 'good quality signal.'"²⁴ But that is *precisely* DIRECTV's position. A "good quality signal" for satellite carriage purposes is not and should not mean the same thing as a "good quality signal" in the cable carriage context. As opposed to the poorer quality provided by analog cable systems, DBS systems are entirely digital and offer noticeably clearer pictures to subscribers as a *standard* feature of the service. Congress knew this when it enacted the SHVIA. Indeed, the fundamental underpinning of the local-into-local regime set up by the SHVIA is the notion that satellite carriers should be given every opportunity to compete as vigorously as possible with incumbent cable television operators. Therefore, in defining the standard for the "good quality signal" that a broadcaster must provide to a satellite carrier's designated local receive facility, it makes little sense for the Commission to adopt a signal quality standard used by cable operators,²⁵ which are the very incumbents for whom Congress and the Commission are seeking to promote competition against in terms of price and service, including *signal quality*.

The record contains ample evidence that satellite carriers must receive a TV1- quality signal.²⁶ And the broadcasters do not dispute DIRECTV's observation that, as a function of the statistical multiplexing utilized by satellite carriers, substandard local broadcast signals supplied

²⁴ NASA Opposition at 2.

²⁵ Under the current cable carriage regime, television broadcast stations must deliver either a signal level of -45dBm for UHF signals or -49dBm for VHF signals at the output terminals of the signal processing equipment to be considered for carriage. *See* Order at ¶ 62 (citing 47 U.S.C. § 534h)(1)(B)(iii) and 47 C.F.R. § 76.55(c)(3).

²⁶ As DIRECTV has explained, the use of compression systems based on the MPEG-2 standard requires signals that meet the requirements of GR-338 CORE, TV1 for <20 route miles.

to a satellite carrier's MPEG encoder will demand more channel capacity than TV-1 quality signals and will degrade the picture quality on all other channels utilizing the same transponder. Instead, the broadcast interests maintain that if a local broadcaster is content with the quality of its signal (no matter how inferior), then a satellite carrier should be content as well. Thus, ALTV states that "[i]f the local station is satisfied with providing a -45 dBm or -49 dBm signal to the receive facility, the satellite carrier should have no cause to complain."²⁷

This position should be rejected as flatly inconsistent with the SHVIA's statutory purpose. Prior to the SHVIA's enactment, satellite subscribers generally had to be content with poorer quality over-the-air broadcast transmissions if they wanted to receive local broadcast signals. The SHVIA was passed for the express purpose of changing this circumstance, and to allow consumers to receive local broadcast signals via satellite, with the attendant upgrade in signal quality that satellite carriage brings. It is simply irrational to conclude that Congress intended the historical quality and competitive benefits associated with high quality satellite-distributed signals to suffer in providing for local-into-local service, or for the local broadcast signal being retransmitted by satellite to be of inferior signal quality relative to *every other channel* being carried on the satellite system.

Concerns by broadcasters over the cost of implementing TV1 as the standard for a "good quality signal" are vastly overstated. It bears reiterating that the obligation to deliver a good quality signal to the satellite carrier's designated local receive facility is one of the very few requirements that the SHVIA places on broadcasters seeking mandatory carriage, and in this regard, the statute does not place any limits on the expenses that broadcasters are required to bear

²⁷ ALTV Opposition at 8.

in order to deliver a good quality signal to the local receive facility.²⁸ It is therefore not appropriate for the Commission to use such costs as a basis for adopting a less stringent signal quality standard for local broadcasters than is the norm in the context of satellite retransmission.

In any event, however, the broadcasters themselves estimate that the average cost of leasing a TV1 line is \$1,150/month, or \$13,800 per year.²⁹ DIRECTV's estimate, based on its emerging experience in carrying local broadcast stations, is even lower. However, even using the broadcasters' numbers, it defies credulity to characterize a yearly expense of approximately \$14,000 in order to secure satellite carriage throughout the DMA as "prohibitively expensive for many TV stations."³⁰ The broadcasters certainly have submitted no evidence to support this proposition.³¹

²⁸ See, e.g., LTVS Comments at 18.

²⁹ See NASA Opposition at 3.

³⁰ NAB Response at 6.

³¹ The NAB attempts to create confusion by mischaracterizing DIRECTV's position as being that fiber optic cable is the "only method of delivering a usable local station to a satellite carrier," and that a "DBS company should not be expected ever to rely on an over-the-air signal, but must always obtain a direct fiber-optic feed." NAB Response at 4. This is not and has never been DIRECTV's position. DIRECTV simply has urged that the TV1 signal quality standard be used as the benchmark in determining whether a broadcaster is delivering a "good quality signal" to a satellite carrier local receive facility. While the use of fiber optic cable is the easiest and most conventional method of ensuring that this signal quality standard is met, DIRECTV has never contended that other modes of distribution, such as microwave links (also a standard method of delivery), should be precluded. Indeed, a letter from EchoStar Satellite Corporation ("EchoStar") referenced in the NAB Response makes this very point: even where optimal fiber availability is not present, EchoStar deploys "a combination of industrial antenna systems and ghost cancellation equipment with processing amplifiers, filters, audio processors and TV-1 receive systems to ensure maximum signal quality." *Ex Parte* Letter of EchoStar Satellite Corporation, CS Docket No. 00-96 (Jan. 19, 2001). EchoStar's letter is completely consistent with the view that TV1 is the appropriate satellite carrier signal quality standard, as well as the fact that broadcasters can and should undertake whatever

Furthermore, this is not an expense that is being forced upon local broadcasters. Under the SHVIA's satellite carriage regime, the must carry/retransmission consent right requires an affirmative election by the broadcaster.³² The broadcaster is perfectly free to forego satellite carriage altogether. However, if a broadcaster wishes to obtain the benefits of satellite carriage, including access to a much more expansive local service area (the entire DMA) relative to that afforded by the cable must carry regime, it is fair to require the broadcaster to bear any incremental increased expense of delivering a "good quality signal" -- as that term is interpreted relative to the historic quality of *satellite* transmissions -- to a satellite carrier's local receive facility.

The Order acknowledges that there are "distinctions between cable operators and satellite carriers."³³ Signal quality is one of them, and this distinction must be recognized in implementing the SHVIA. The TV1 standard used in the context of satellite television provision should be adopted as the measure of a "good quality signal" under Section 338(b).

III. CONGRESS PLACED THE BURDEN ON TELEVISION BROADCAST STATIONS SEEKING CARRIAGE TO PAY FOR THE DELIVERY OF A GOOD QUALITY SIGNAL TO THE LOCAL RECEIVE FACILITY IN ALL CASES, AND THE BROADCASTERS HAVE NOT SHOWN OTHERWISE

The Order correctly stated that Section 338(b)(1) "assigns the costs to the broadcaster when providing the satellite carrier with a good quality signal to either a local or alternative

enhancements are necessary to meet this standard if a mode of delivery other than fiber optic cable is used.

³² Order at ¶ 14; *see* 47 U.S.C. § 338(a)(1).

³³ Order at ¶ 5.

facility."³⁴ Just four paragraphs later, however, the Commission decided that "if a satellite carrier decides to relocate the designated local receive facility during an election cycle" to an alternative facility, it should "pay the television stations' costs to deliver a good quality signal to the new location."³⁵ The broadcasters of course support the Commission's decision on this point, but they can point to no basis in the text of the SHVIA for the Commission's rule.

That is because there is none. Nowhere in the text of the statute or in its legislative history did Congress express the intent that satellite carriers should be required to pay the costs of delivering the signal of a station electing mandatory carriage to the local receive facility under *any* circumstances.³⁶ As DIRECTV has observed, given the expense involved in establishing a local receive facility, it is not likely that a satellite carrier will move its facility voluntarily unless unforeseen circumstances make relocation absolutely necessary. But even in these limited circumstances, the statute expressly allocates the cost burden of delivering a good quality signal to the broadcaster. There is no basis for the Commission to change that allocation.

³⁴ *Id.* at ¶ 54.

³⁵ *Id.* at ¶ 58.

³⁶ NASA attempts to find support for the Commission's rule by focusing on Congress's use of the word "designated" local receive facility in Section 338(b)(1), arguing that "[l]ike a broadcaster's carriage election, the satellite carrier's selection of a 'designated' facility remains in force until the next election cycle. If the carrier decides to change the receive facility mid-cycle, it is only reasonable to require it to bear the costs of signal delivery to the new location." NASA Opposition at 7; *see also* Public Television Opposition at 13. This reading, however, is not consistent with the text of the statute. The Order correctly observes that, with respect to the costs of delivering a good quality signal, the text of the SHVIA encompasses both "designated" *and* "alternative" receive facilities, Order at ¶49, and in *both* cases, "assigns costs to the broadcaster." *Id.* at ¶ 54.

IV. SECTION 338(d) DOES NOT UNDULY RESTRICT SATELLITE CARRIERS FROM OFFERING LOCAL-INTO-LOCAL SERVICE THROUGH THE USE OF DIFFERENT ORBITAL POSITIONS

DIRECTV has urged the Commission to revisit its interpretation of new Section 338(d) of the Communications Act as “bar[ring] satellite carriers from requiring subscribers to purchase additional equipment when television stations from one market are segregated and carried on separate satellites,”³⁷ which contradicts Congressional intent. As DIRECTV explained, Congress considered this precise question and decided to *delete* draft statutory language that would have imposed the very restriction that the Commission now reads in the statute.

In ruling that satellite carriers may not carry must-carry stations in a manner that requires additional receive equipment, the Commission disregarded the fact that Congress contemplated that prohibition, included it in a discussion draft, and then decided to delete it. The broadcasters speculate that this deletion was intended by Congress to permit satellite carriers to do only part of what the deleted prohibition had covered: “It appears, therefore, that Congress eliminated this language to permit satellite carriers to do what they do today: offering *all* of the local stations in a market through technologies that require consumers to acquire new customer equipment.”³⁸

In other words, the broadcasters appear to admit that the draft prohibition would have preempted two things -- both the satellite carriers’ ability to require separate equipment for the local package, and their ability to require separate equipment for must-carry stations alone.³⁹

³⁷ *Id.* at ¶101.

³⁸ NAB Response at 8 (citation omitted) (emphasis in original).

³⁹ The draft provision read as follows:

No satellite carrier shall be required to provide the signal of a local television broadcast station to subscribers in that station’s local market on any particular channel number or to provide the signals in any particular order, except that the satellite carrier shall retransmit the signal of the local

They argue, however, that the deletion of that language restored to carriers the ability to do only one of these two things. The broadcast interests offer no support for their speculation, which is in fact not plausible. If that had been what Congress intended, Congress would have said so -- it would have deleted the prohibition only partially, and would have specified that satellite carriers may require additional equipment for the receipt of the broadcast package (all local signals), but may not require additional equipment just for the must-carry stations. Congress drew no such distinction, however, and it is implausible that the deletion of the prior prohibition could have such a tortured meaning. The canons of statutory interpretation point to a simple meaning: that Congress had intended to permit all that it had provisionally prohibited in the deleted language.

In that respect, the broadcast interests argue that “elimination of draft language from a statute obviously does not suggest that Congress intended the opposite result if the language eliminated was unnecessary or redundant.” This statement, however, is inconsistent with the case law: according to the courts, elimination of draft language suggests exactly what the broadcast interests maintain it does not suggest.⁴⁰ The broadcast interests cite no case law in

television broadcast stations to subscribers in the stations’ local market on contiguous channels *which a subscriber may receive without the need to install an additional reception antenna or any other additional equipment* and provide access to such station’s signals at a nondiscriminatory price and in a nondiscriminatory manner on any navigational device, on screen program guide, or menu.

House Conferees’ Counteroffer of the Copyright Satellite Statutory License Improvement Act, Discussion Draft, at 27 (Oct. 15, 1999) (emphasis added).

⁴⁰ See *Gulf Oil Corp. v. Copp Paving Co.*, 419 U.S. 186, 200 (1974) (stating that deletion of a provision from a bill “strongly militate[s] against a judgment that Congress intended a result it expressly declined to enact.”); *In the Matter of Implementation of the Satellite Home Viewer Improvement Act of 1999; Retransmission Consent Issues: Good Faith Negotiation and Exclusivity*, First Report and Order, 15 FCC Rcd. 5445, 5450-51 (2000) ([T]he rules of statutory construction do not favor interpreting a subsequent statutory provision to require the rejected alternative.”); see also *INS v. Cardoza Fonseca*, 480 U.S. 421, 442-43 (1987) (“Few principles of statutory construction are more compelling

support of the opposite principle. Nor does it matter for purposes of these cases whether the language had been included in a bill or in a discussion draft -- what matters is that it was deleted.

The SHVIA does not and was not intended to prohibit satellite carriers from offering local-into-local services from multiple locations, with multiple dishes if necessary, where it makes business and technical sense to do so. And the broadcasters have not shown otherwise.

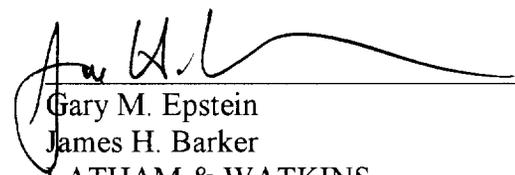
V. CONCLUSION

For the foregoing reasons, DIRECTV urges the Commission to reconsider its Order with respect to the matters set forth in its Petition.

Respectfully submitted,

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than the proposition that Congress does not intend *sub silentio* to enact statutory language that it has earlier discarded in favor of other language.”).

CERTIFICATE OF SERVICE

I hereby certify that this 25th day of April 2001, a true and correct copy of the foregoing Reply of DIRECTV, Inc. was served via hand delivery upon the following:

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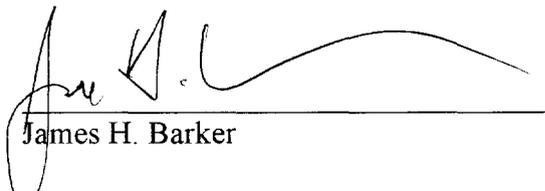
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