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In re: **Prescott Valley Broadcasting Co., Inc.**
KPPV(FM), Prescott Valley, AZ
Facility ID No. 53414

Dear Counsel:

We have before us a Petition for Reconsideration (Petition) filed by Prescott Valley Broadcasting Co., Inc. (PVBC),¹ which seeks reconsideration of certain findings made in a letter order (*Expenses Letter*) that we issued on June 6, 2022.² Also before us is a Third Motion to Strike (Motion) filed by Entravision Holdings, LLC (Entravision),³ which urges us to strike the Petition as unauthorized. Finally, we have before us PVBC's response to information requests that we made in the *Expenses Letter* (Response),⁴ and Entravision's reply (Reply to Response).⁵ For the reasons discussed below, we grant the Motion and dismiss the Petition. In addition, we determine whether various expense items identified by PVBC are reimbursable. Where possible, we also consider whether the cost of an expense item is reasonable.

¹ Prescott Valley Broad. Co. Inc., Petition for Reconsideration (July 1, 2022) (Petition).

² Prescott Valley Broad. Co. Inc., Letter Order, DA 22-606 (MB June 6, 2022) (*Expenses Letter*).

³ Entravision Holdings, LLC, Third Motion to Strike (July 1, 2022) (Motion).

⁴ Prescott Valley Broad. Co. Inc., Response to Information Requests (June 21, 2022) (Response).

⁵ Entravision Holdings, LLC, Reply to Response for Information Requests (July 21, 2022) (Reply to Response).

I. BACKGROUND

At Entravision's request, and in order to accommodate the upgrade of one of Entravision's stations, we issued an order (*Channel Change Order*) that modified PVBC's license for KPPV(FM), Prescott Valley, Arizona, to specify a new channel (and frequency).⁶ As is Commission practice in involuntary channel change cases, we ordered Entravision to reimburse PVBC for the legitimate and prudent costs of changing KPPV(FM)'s channel.⁷

Because the reimbursement negotiations have proved contentious, the Commission charged the Bureau with monitoring the parties' reimbursement negotiations.⁸ To facilitate this, the Commission required "the parties to report to the Bureau in writing regarding the progress of their negotiations" by February 24, 2022.⁹ If a reimbursement agreement had not been reached by that date, the Commission ordered PVBC to separately submit—on that same date—"a list of all expenses that it currently claims are reimbursable along with a justification and documentation to support the estimated cost of each expense."¹⁰ The Commission directed Entravision to respond to PVBC's submission.¹¹

On February 24, 2022, Entravision and PVBC jointly filed a Statement for the Record, which indicated they had been "unable to reach a mutually agreeable understanding as to the legitimate and prudent expenses that Entravision must reimburse PVBC."¹² That same day, PVBC filed a Report Regarding Progress Negotiations and Preliminary Assessment of Legitimate and Prudent Expenses (Report).¹³ On March 4, 2022, Entravision filed a Response to the Report,¹⁴ and PVBC filed an Update to Report Regarding Preliminary Assessment of Legitimate and Prudent Expenses (Report Update), which contained a revised expense list and additional documentation.¹⁵ On April 1, 2022, PVBC filed a Reply to Response (Report Reply), which responded to arguments Entravision made in the Response, and offered additional factual information and documentation.¹⁶

On June 6, 2022, we issued the *Expenses Letter*. Therein, we accepted the Report Update, and accepted certain portions of the Report Reply. We also offered general guidance regarding various categories of expenses. Further, where possible, we determined whether expense items identified by PVBC were reimbursable, and whether the actual or estimated costs of such items were reasonable. We

⁶ See *Entravision Holdings, LLC, and Prescott Valley Broad. Co. Inc.*, File Nos. BPH-20190723AAN, BPH-20190723AAO, BLH-19930204KB, Letter Order (MB July 21, 2020) (*Channel Change Order*).

⁷ *Id.* at 5.

⁸ *Entravision Holdings, LLC*, Memorandum Opinion and Order, FCC 22-4, at para. 29 (Jan. 25, 2022) (*Commission Order*).

⁹ *Id.* at paras. 29, 33.

¹⁰ *Id.* at para. 33.

¹¹ *Id.* at paras. 29, 33.

¹² *Entravision Holdings, LLC, and Prescott Valley Broad. Co. Inc.*, Statement for the Record, Pleading File No. 0000185263 (filed Feb. 24, 2022).

¹³ *Prescott Valley Broad. Co. Inc.*, Report Regarding Progress Negotiations and Preliminary Assessment of Legitimate and Prudent Expense (filed Feb. 24, 2022) (Report).

¹⁴ *Entravision Holdings, LLC*, Response (filed Mar. 4, 2022) (Report Response)

¹⁵ *Prescott Valley Broad. Co. Inc.*, Update to Report Regarding Preliminary Assessment of Legitimate and Prudent Expenses (filed Mar. 4, 2022) (Report Update).

¹⁶ *Prescott Valley Broad. Co. Inc.*, Reply to Response (filed April 1, 2022) (Report Reply).

noted that we were unable to make such determinations regarding a number of expense items. Where we required additional information about the items, we directed PVBC to respond with it. We allowed Entravision to reply to the information PVBC would be submitting (and to the new information PVBC had submitted in the Report Update and Report Reply).

PVBC then filed the Petition. PVBC seeks reconsideration of findings made in the *Expenses Letter*.¹⁷ Entravision filed an Opposition to Petition for Reconsideration,¹⁸ and PVBC filed a Reply to Opposition to Petition for Reconsideration.¹⁹

In response to the Petition, Entravision also filed the Motion, which urges us to strike the Petition as unauthorized. PVBC filed an Opposition to Third Motion to Strike,²⁰ and Entravision filed a Reply to Opposition to Third Motion to Strike.²¹

PVBC also filed the Response, which responds to the various information requests set forth in the *Expenses Letter*. And as provided for in that letter, Entravision filed the Reply to Response.

II. DISCUSSION

A. Procedural Issue

We agree with Entravision²² that the Petition is procedurally improper and should be dismissed under section 1.106(a)(1) of the Commission's rules (Rules) because it seeks reconsideration of an interlocutory action.²³ As Entravision notes, the Bureau's oversight of the parties' reimbursement negotiations is not complete.²⁴ While the *Expenses Letter* did provide some general guidance, it also required PVBC to provide additional information regarding numerous expenses items.²⁵ It did not fully

¹⁷ Specifically, PVBC challenges our findings that (1) certain legal fees PVBC incurred are not reimbursable, (2) absent exceptional circumstances, advertising an involuntary channel change for longer than three months is not reasonable, (3) PVBC must provide mockups or proof of the advertisements it believes qualify as reimbursable expenses, and (4) PVBC is entitled to reimbursement only for the cost of replacing those promotional items in its possession. See Petition at 5-13.

¹⁸ Entravision Holdings, LLC, Opposition to Petition for Reconsideration (July 8, 2022) (PFR Opposition).

¹⁹ Prescott Valley Broad. Co. Inc., Reply to Opposition to Petition for Reconsideration (July 20, 2022) (PFR Reply).

²⁰ Prescott Valley Broad. Co. Inc. Opposition to "Third" Motion to Strike (July 13, 2022) (Motion Opposition).

²¹ Entravision Holdings, LLC, Reply to Opposition to Motion to Strike (July 20, 2022) (Motion Reply).

²² See PFR Opposition at 3-4; Motion at 2; Motion Reply at 2.

²³ Section 1.106(a)(1) of the Rules generally prohibits the filing of petitions for reconsideration of interlocutory actions. 47 CFR § 1.106(a)(1). It does include one exception for "a petition for reconsideration of an order designating a case for hearing" where "the petition relates to an adverse ruling with respect to petitioner's participation in the proceeding." *Id.* That exception is not applicable here.

²⁴ Motion at 2-3 (arguing that "where a matter, such as this one, has not reached finality at the delegated authority level, there is no basis for administrative review"); PFR Opposition at 4 (arguing that "the question of what is reimbursable has not been fully decided by the Bureau, with information being gathered for further determination, thereby preventing PVBC from seeking any administration or judicial review at this time").

²⁵ See *Expenses Letter* at 10-11, 12-13, 14, 15, 16-17 (requesting further information regarding legal fees, printed items, advertising, promotional items, and miscellaneous expenses).

decide the extent of Entravision's reimbursement obligations or terminate the Bureau's oversight of the parties' reimbursement negotiations. Thus, the *Expenses Letter* was an interlocutory action.²⁶

In reaching this conclusion, we reject PVBC's argument that the *Expenses Letter* "contained several erroneous conclusions of law and policy that warrant reconsideration," which "clearly were intended to be final decisions."²⁷ A number of the findings PVBC seeks to challenge were prefaced with language explaining that we were unable, in the *Expenses Letter*, to rule upon whether various expense items identified by PVBC were reimbursable, and whether the costs of these items was reasonable.²⁸ The remaining findings challenged by PVBC relate to legal fees. The *Expenses Letter*, however, did not fully determine Entravision's reimbursement obligations with respect to those fees.²⁹ Accordingly, because PVBC seeks reconsideration of an interlocutory action, we grant the Motion and dismiss the Petition.³⁰ We note that, like the petitioner in *Genesis Communications I, Inc.*,³¹ PVBC retains the right to challenge the findings made in the *Expenses Letter* at a later point in the proceeding.³² Accordingly, our dismissal of the Petition is without prejudice to PVBC's right to make these same arguments in a subsequent non-interlocutory pleading.³³

²⁶ An interlocutory action by definition is one that is non-final in that it neither denies nor dismisses an application nor terminates an applicant's right to participate in the proceeding. *Jet Fuel Broad.*, Memorandum Opinion and Order, 29 FCC Rcd 2471, 2471-72, para. 2 (2014). For an agency action to be final, it must mark the consummation of the agency's decision-making process, and not be merely of a tentative or interlocutory nature; in addition, the action must determine rights or obligations or otherwise result in legal consequences for one or more parties. *See id.*, citing *Bennett v. Spear*, 520 U.S. 154, 177-78 (1997).

²⁷ PFR Reply at 4-5.

²⁸ *See Expenses Letter* at 12 (stating "we are unable, at this time, to determine whether PVBC is entitled to reimbursement for the printing expense items listed in the Report, or whether the costs of those expense items are reasonable" and requesting further information), 13 (stating "we are unable, at this time, to rule upon whether most of the advertising expense items listed in the Report are reimbursable, and whether the costs of these items are reasonable" and requesting further information), 14 (stating "we do not—at this time—address whether these promotional items are reimbursable, or whether the estimated costs of the items are reasonable"), 16-17 (requesting further information regarding all but three miscellaneous expense items, and stating "we are unable at this time, to determine whether [the remaining] three miscellaneous expense items identified ... are reimbursable, and whether PVBC's cost estimates for these items are reasonable").

²⁹ *Expenses Letter* at 10-11 (requesting further information about legal charges for 19 different dates, and allowing Entravision to respond to the additional legal charges submitted with the Report Update).

³⁰ Having granted the Motion, we reject PVBC's assertion that the Motion is an unauthorized pleading. Motion Opposition at 3. Further, having found the Petition to be procedurally defective because it challenged an interlocutory action, we need not reach Entravision's allegations that the Petition was procedurally defective for other reasons. *See* PFR Opposition at 3-4; Motion at 2; Motion Reply at 2-3.

³¹ *Genesis Commc'ns I, Inc.*, Memorandum Opinion and Order, 29 FCC Rcd 4214, 4215, para. 3 (2014).

³² To the extent that PVBC asserts it would have forfeited the right to challenge the findings identified in the Petition, PFR Reply at 4-5; Motion Opposition at 2, we reject that argument. PVBC may challenge the findings made in the *Expenses Letter* once the Bureau has made a final decision regarding the extent of Entravision's reimbursement obligations, and has terminated its oversight over the parties' reimbursement negotiations.

³³ *See Bay Broad. Co.*, Memorandum Opinion and Order, 10 FCC 2d 331, 332, paras. 4-5 (1967).

B. Substantive Issues

1. Reimbursement Criteria

PVBC bears the burden of proof with respect to whether an item is legitimate and prudent, and whether its cost is reasonable.³⁴ In the *Expenses Letter*, we noted that PVBC could demonstrate that an expense item is reimbursable by showing that it falls into one of the categories enunciated in *Circleville*³⁵ and its progeny, or by showing that PVBC had incurred (or would incur) the expense solely because of the involuntary channel change.³⁶ We also indicated that we would presume that the cost of an item was reasonable where the amount PVBC requested matched up with the amount specified in an invoice or estimate.³⁷

We note that PVBC has had an extended amount of time to identify the expenses it will incur, and obtain estimates and other documentation regarding those expenses. Additionally, as noted in the preceding paragraph, the *Expenses Letter* offered clear guidance on the information and documentation required to meet PVBC's burden of proof. Finally, PVBC had the opportunity to submit additional information and documentation, and did so in the Response. Accordingly, if we determine that PVBC has not met its burden of proof with respect to an expense item, we find it is not entitled to reimbursement for that item.

2. Engineering Services and Equipment

We conclude that the remaining engineering and equipment expenses identified by PVBC³⁸ are reimbursable, and that the estimated amounts for each task to be performed, and each piece of equipment to be purchased are reasonable.³⁹ To the extent that Entravision suggests PVBC has not met its burden of proof with respect to these expenses, we disagree. PVBC submitted an estimate prepared by its engineering consultant,⁴⁰ and then provided a more detailed description of the work to be performed and the equipment to be purchased.⁴¹ PVBC has demonstrated that there is a clear nexus between the KPPV(FM) channel change and the anticipated engineering and equipment expenses. That is all PVBC needed to do.⁴²

³⁴ *Commission Order*, FCC 22-4, at n.113.

³⁵ *Circleville, Ohio*, Second Report and Order, 8 FCC 2d 159 (1967) (*Circleville*).

³⁶ *Expenses Letter* at 7.

³⁷ *Id.*

³⁸ We already determined that PVBC is entitled to reimbursement for engineering fees associated with filing an FCC application for a construction permit to implement the KPPV(FM) channel change. *Expenses Letter* at 7.

³⁹ In doing so, we reject Entravision's assertion that PVBC has not adequately demonstrated that the backup transmitter, and the booster antenna cannot be modified and therefore must be replaced. Reply to Response at 5. PVBC has explained that the backup transmitter is not "frequency agile" and cannot be retuned. Report Reply at 10. In addition, it has explained that the booster antenna must be "manufactured specifically" to KPPV(FM)'s new frequency. *Id.* Commission engineering staff have reviewed these explanations and find them to be credible.

⁴⁰ Report at Attach. 1.

⁴¹ Report Reply at 10.

⁴² To the extent that Entravision implies PVBC needed to offer proof of its consultant's credentials, we disagree. Reply to Response at 5 (arguing that PVBC's consultant "has not provided a *prima facie* basis for its qualifications to provide evidence as to PVBC's equipment needs"). We further reject Entravision's assertion that PVBC's consultant "has a clear conflict of interest as it is not independent of PVBC, having served in the capacity of a contract engineer." Reply to Response at 5. PVBC is allowed to use its consulting engineer to help it identify the

At this time, PVBC has not actually incurred these engineering and equipment expenses.⁴³ Therefore, we cannot specify the extent of Entravision's reimbursement obligations or set a reimbursement deadline related to them.⁴⁴ We note that, when PVBC does request reimbursement for these expenses, it must provide a copy of any related invoices and materials along with its reimbursement request.

3. Legal Charges

PVBC is entitled to reimbursement for some but not all of the legal fees that we did not address in the *Expenses Letter*.⁴⁵ As explained below, Entravision must reimburse PVBC for an additional \$10,815 in legal fees, and must do so within twenty (20) calendar days of the date of this letter. PVBC must report on the status of this payment within thirty (30) calendar days of the date of this letter.

Reimbursement Required. PVBC is entitled to reimbursement for \$175 in legal charges from July 21, 2020. These fees are associated with review of the *Channel Change Order* by its counsel.⁴⁶ The *Channel Change Order* modified KPPV(FM)'s license, and directed PVBC to file an application to implement the KPPV(FM) channel change within 90 days. There is a clear nexus between the KPPV(FM) channel change and review of the order by PVBC's counsel. We reject Entravision's assertion that this charge is related to the escrow account litigation,⁴⁷ and therefore not reimbursable.⁴⁸ Even if PVBC had not instituted that litigation, its counsel would have needed to review the *Channel Change Order*.

PVBC also is entitled to reimbursement for legal charges related to responding to Entravision's Request to Delete Special Operating Condition and related Entravision submissions.⁴⁹ Accordingly,

changes necessitated by the channel change. Indeed, we find its decision to use a consulting engineer that had familiarity with KPPV(FM) to be both logical and reasonable.

⁴³ See *Circleville*, at para. 12 ("We do not here pass upon the amounts set forth, since it cannot now be determined what they will actually prove to be.").

⁴⁴ We expect the cost of the engineering work and equipment will not be significantly more than that specified in the estimate submitted by PVBC. See Report at Attach. 1; Report Reply at 10 (estimating expenses of (1) \$350 to modify the main KPPV(FM) transmitter, (2) \$1,800 to retune the main KPPV(FM) antenna, (3) \$5,950 to replace the backup KPPV(FM) transmitter, (4) \$2,400 to retune the backup KPPV(FM) antenna, (5) \$2,100 to replace the KPPV(FM) booster antenna, and retune the KPPV(FM) booster transmitter, (6) \$200 to retune the receiver used by the KPPV(FM) booster, and (7) \$1,500 for field strength measurements).

⁴⁵ See *Expenses Letter* at 5, 10-11, 17 (requesting further information about certain legal fees, and deferring action on other legal fees in order to allow Entravision an opportunity to respond). We note that PVBC has indicated that \$210 in legal fees from September 22, 2020 "can be excluded from reimbursement." Response at 3. Accordingly, we do not discuss those fees herein.

⁴⁶ Response at 1-2.

⁴⁷ PVBC instituted the escrow account litigation after the Bureau declined to require Entravision to deposit funds in an escrow account. This litigation involved a Petition for Reconsideration that PVBC filed on August 19, 2020, a the Request for Stay that PVBC filed at the same time as the Petition, and an Application for Review that PVBC filed after we denied the Petition and dismissed the Request for Stay. Prescott Valley Broad. Co. Inc., Petition for Reconsideration, File No. BPH-20190723AAN (filed Aug. 19, 2020); Prescott Valley Broad. Co., Inc., Request for Stay, File No. BPH-20190723AAN (filed Aug. 19, 2020); Prescott Valley Broad. Co. Inc., Application for Review, File No. BPH-20190723AAN (dated Nov. 20, 2020).

⁴⁸ Reply to Response at 7.

⁴⁹ *Expenses Letter* at 8-9.

Entravision must reimburse PVBC for \$420 in legal fees from January 8, 2021, and \$175 from January 15, 2021.⁵⁰ To the extent that Entravision argues PVBC is not entitled to reimbursement for \$70 of the charges from January 15, 2021,⁵¹ we disagree. The \$70 charge is attributable to PVBC's counsel responding to a Commission request for a copy of the Request. While Entravision argues that responding to the FCC's request should not have resulted in legal fees "as no legal services were performed and it bears no relation to the channel change,"⁵² the work was performed by PVBC's attorney and related to the Entravision Request.⁵³ Accordingly, we conclude that PVBC is entitled to reimbursement for the legal fees associated with that work.

Additionally, PVBC is entitled to reimbursement for legal fees associated with its FCC application for a construction permit to implement the KPPV(FM) channel change (KPPV(FM) Permit Application).⁵⁴ Thus, Entravision must reimburse PVBC for \$490 in legal fees from October 22, 2020. We reject Entravision's assertion that this legal work was related to the escrow account litigation and is not reimbursable.⁵⁵ While Entravision is correct that the *Expenses Letter* found that legal work related to the escrow account litigation is not reimbursable,⁵⁶ the mere mention of that litigation in the pleading prepared by PVBC's counsel on October 22, 2020, does not render the legal work non-reimbursable. The pleading involved was one in which Entravision requested that we expedite our processing of the KPPV(FM) Permit Application. As such, the legal work done in response to that pleading also relates to the processing of that application, and is reimbursable.

Finally, PVBC is entitled to reimbursement for legal fees related to the parties' reimbursement negotiations, and the Bureau's oversight of those negotiations.⁵⁷ Thus, Entravision must reimburse PVBC for \$490 in legal fees from November 5, 2020, \$140 from November 6, 2020, \$350 from December 9, 2020, \$315 from December 10, 2020, \$350 from February 8, 2022, \$455 from February 11, 2022, \$280 from February 14, 2022, \$420 from February 16, 2022, \$1,680 from February 17, 2022, \$350 from February 18, 2022, \$700 from February 22, 2022, \$1,225 from February 23, 2022, \$2,590 from February 24, 2022, and \$210 from February 28, 2022.⁵⁸

Reimbursement Not Required. PVBC is not entitled to reimbursement for any of the legal fees associated with the escrow account litigation.⁵⁹ PVBC therefore is not entitled to reimbursement for the following legal fees: \$455 from July 21, 2020, \$560 from July 22, 2020, \$350 from August 4, 2020, \$175

⁵⁰ Response at 4-5.

⁵¹ Reply to Response at 9.

⁵² *Id.*

⁵³ We note that, based on the amount billed and the hourly rate charged by PVBC's counsel (\$350 per hour), the time charged for this task amounted to 12 minutes. We do not believe it is unreasonable for it to have taken 12 minutes for PVBC's counsel to review the e-mail it received from the FCC, track down a copy of the Request, and e-mail that copy to the FCC.

⁵⁴ Response at 3.

⁵⁵ Reply to Response at 8.

⁵⁶ *Id.*, citing *Expenses Letter* at n.63.

⁵⁷ *Expenses Letter* at 8.

⁵⁸ Response at 3, 4. Entravision does not dispute that these charges are reimbursable. Reply to Response at 8.

⁵⁹ *Expenses Letter* at 9.

from August 6, 2020, \$245 from August 7, 2020, \$630 from September 22, 2020, \$350 from November 5, 2020, and \$1,190 from November 6, 2020.

Further, Entravision need not reimburse PVBC for the cost of legal work performed on December 7, 2020 (\$140), and December 11, 2020 (\$70). As Entravision notes, this legal work related to a red light issue and did not fall within “the applicable categories for reimbursement.”⁶⁰ We acknowledge that the red light issue did prevent the Bureau from processing the KPPV(FM) Permit Application. However, PVBC would have been required to address the red light issue even if we had not modified KPPV(FM)’s license. Accordingly, there is no nexus between the channel change and this legal work, and it is not a reimbursable expense.

The charges for discussions on July 21, 2020 (\$105), July 22, 2020 (\$140), December 14, 2020 (\$210), January 15, 2021 (\$280),⁶¹ June 24, 2021 (\$175), July 14, 2021 (\$210), and July 15, 2021 (\$70), also are not reimbursable. We agree with Entravision that, based on the information provided by PVBC,⁶² it is impossible to determine whether the discussions between PVBC’s counsel and PVBC’s principal on these dates related to subject matter that is reimbursable. Given this, and given that we have found some of the legal work performed by PVBC’s counsel to be reimbursable while other legal work was not, we find that PVBC has not met its burden of proof with respect to these discussions.

Finally, PVBC is not entitled to reimbursement for the legal work performed on February 1, 2022 (\$525), and February 2, 2022 (\$280).⁶³ Despite the fact that the *Expenses Letter* clearly indicated that more detail was needed regarding many of the legal charges, and found that some of the legal work performed by PVBC’s counsel was reimbursable while other work was not, PVBC did not offer any additional details regarding the charges for this date. PVBC therefore failed to meet its burden of proof with respect to these charges.

4. Printing (Logs and Stationery)

In the *Expenses Letter*, we requested further information regarding various printing expense items that PVBC claimed were reimbursable.⁶⁴ Specifically, we asked PVBC to demonstrate that there is a clear nexus between the need to replace the printed items and the KPPV(FM) channel change by showing

⁶⁰ Reply to Response at 8.

⁶¹ We note that PVBC states that this charge was related to counsel notifying PVBC about grant of the KPPV(FM) Permit Application, and other matters. Response at 5. Entravision argues that “the notification of a grant of the construction permit was not related to the channel change.” Reply to Response at 9. While we find that the legal charges for this date are not reimbursable for other reasons, we clarify that notification did relate to processing of the KPPV(FM) Permit Application and, barring the other issue highlighted herein, would have been reimbursable.

⁶² Reply to Response at 7, 8. PVBC asserts attorney-client privilege with respect to these discussions. Response at 1-2, 4-5. PVBC has every right to claim attorney-client privilege. However, PVBC could have indicated whether the discussions related to a reimbursable topic (*e.g.*, reimbursement negotiations) or a non-reimbursable topic (*e.g.*, the escrow litigation) without compromising the confidentiality of the actual discussions. See Response at 1-2, 4-5 (indicating that (1) the discussions on July 21, 2020, and July 22, 2020, related to the *Channel Change Order*, but not whether the discussion related to preparation of the KPPV(FM) Permit Application, the reimbursement negotiations, or the escrow account litigation, (2) the discussion on December 14, 2020, addressed “various aspects of this proceeding,” (3) the discussion on January 15, 2021, touched upon grant of the KPPV(FM) Permit Application and “other matters,” (4) the discussion on June 24, 2021, covered an upcoming call that PVBC’s principal planned to have with Entravision’s principal “reasonably related to” the KPPV(FM) channel change, and (5) the discussions on July 14, and 15, 2021, related to “this matter”).

⁶³ Update at Attach. 3.

⁶⁴ *Expenses Letter* at 10-11.

that each printed item has KPPV(FM)'s old frequency on it, and will be rendered obsolete.⁶⁵ We also required PVBC to specify how many of each printed item it had in its possession as of the date of the *Expenses Letter*,⁶⁶ indicate when it last placed an order for each printed item,⁶⁷ and provide an invoice or other documentation related to that order.⁶⁸

After evaluating the Response, we have determined that PVBC failed to meet its burden of proof with respect to the following printed items: Letterhead, Window Envelopes (KPPV(FM) Logo Only), New Local and Agency Rate Cards (All Logos and KPPV Logo Only), New Marketing Portfolios (KPPV Logo), New Media Kits (KPPV Logo), and New Contest Flyers (KPPV Logo). Specifically, while PVBC claims to have provided a copy of the most recent invoice for each of these items as an attachment to the Report, it either failed to provide any documentation,⁶⁹ or provided documents that are undated and appear to be estimates, not invoices for orders actually placed.⁷⁰ Because the *Expenses Letter* clearly required PVBC to state when it last ordered each printed item and PVBC has not done so, we find that PVBC has not met its burden of proof and is not entitled to reimbursement for these items.

As discussed below, PVBC is entitled to reimbursement for the remaining printed items listed in the Report. We note that, at this time, PVBC has not discontinued use of these items,⁷¹ nor has it incurred

⁶⁵ *Id.* at 12.

⁶⁶ *Id.* at 12-13. While PVBC ultimately may use some of the printed items in its possession at the time the *Expenses Letter* was issued, and thus may be entitled to reimbursement for a lesser quantity of the printed items, the amounts it held on this date allow us to cap Entravision's reimbursement obligation with respect to each printed item.

⁶⁷ *Id.* at 13. We requested this information in order to ensure that PVBC was being prudent in managing the expenses associated with the KPPV(FM) channel change. As the *Expenses Letter* noted, PVBC should not expect reimbursement for printed items with KPPV(FM)'s old frequency on them that were ordered after the *Channel Change Order* was released. *Id.* We decline to, as Entravision requests, "direct PVBC to segregate pre-July 21, 2020 items from those acquired after that date, to use the pre-July 21, 2020 items on a first-in-first-out basis, and to maintain evidence of its adherence to such a process." Reply to Response at 9. Doing so would serve no purpose, as PVBC last ordered each of the specific printed items that we find reimbursable prior to that date.

⁶⁸ *Expenses Letter* at 13.

⁶⁹ PVBC did not provide any photos or documentation related to the New Local and Agency Rate Cards (All Logos and KPPV Logo Only), New Marketing Portfolios (KPPV Logo), and New Media Kits (KPPV Logo). PVBC appears to have provided a photo of a contest flyer, Update at Representative Examples, but did not state how many such contest flyers it had in its possession on June 6, 2022, or when it last ordered contest flyers. PVBC also did not submit an invoice or other documentation related to its last contest flyer order.

⁷⁰ Response at 6. *See also* Report at Attach. 6.

⁷¹ As Entravision notes, the *Expenses Letter* did not "state when the exact count of remaining items is to be taken." Reply to Response at 9. *See also Expenses Letter* at 12 (stating only that "if a stationery item is reimbursable, PVBC is entitled to reimbursement for the number of units of that item that PVBC has on hand"). We believe the appropriate time for the count to be taken is when PVBC discontinues use of a printed item. We reject Entravision's suggestion that PVBC should be required to continue to use printed items with KPPV(FM)'s old frequency on them until at least "the date that PVBC files a license to cover its construction permit." Reply to Response at 9. While PVBC is expected to limit its expenses where possible, and while it would be reasonable for PVBC to continue depleting its existing inventory of printed items for a period of time, it may be reasonable for PVBC to stop using printed items with the old KPPV(FM) frequency prior to filing for a license to cover KPPV(FM)'s operation on its new frequency. For instance, if PVBC begins promoting the KPPV(FM) channel change prior to the date it files for a license to cover, it would be reasonable for PVBC to discontinue using printed items that include KPPV(FM)'s old frequency at that time. Accordingly, when PVBC discontinues the use of a reimbursable printed item, it must notify

any expenses related to them.⁷² Therefore, we cannot specify the extent of Entravision's reimbursement obligations or set a reimbursement deadline for these items. PVBC must notify Entravision and the Commission once it has determined the date on which it will discontinue use of a reimbursable printed item.⁷³ In the notification, PVBC must indicate how many of each reimbursable printed item PVBC had in its possession on that date. Finally, when PVBC requests reimbursement for a reimbursable printed item, we expect it to provide a copy of any related invoices and materials along with its reimbursement request.

Business Cards. PVBC provided photos of the business cards it seeks to replace. Each card includes KPPV(FM)'s call letters and its old frequency.⁷⁴ PVBC states that, as of the date of the *Expenses Letter*, it had approximately 2,000 business cards in its (or its employees') possession.⁷⁵ It also indicates that it last ordered business cards on January 30, 2020.⁷⁶ Based on the information provided, we find PVBC is entitled to reimbursement for the cost of replacing no more than 2,000 business cards.⁷⁷

Window Envelopes (All Logos). PVBC provided photos of the window envelopes that it seeks to replace.⁷⁸ Each envelope includes KPPV(FM)'s call letters and its old frequency.⁷⁹ PVBC states that, as of the date of the *Expenses Letter*, it had approximately 500 of these envelopes in its possession.⁸⁰ It also indicates that it last ordered the envelopes on May 14, 2020.⁸¹ Based on the information provided, we find PVBC is entitled to reimbursement for the cost of replacing no more than 500 window envelopes.⁸²

Plain Envelopes (All Logos); Plain Envelopes (KPPV(FM) Logo Only). PVBC provided photos of the plain envelopes that it seeks to replace.⁸³ Each envelope includes KPPV(FM)'s call letters and its old frequency.⁸⁴ PVBC states that, as of the date of the *Expenses Letter*, it had approximately 925 plain

the Commission and Entravision of this event, and provide updated information regarding how many of each reimbursable printed item it has on hand at that time.

⁷² See *Circleville*, 8 FCC 2d at 163, para. 12 (“We do not here pass upon the amounts set forth, since it cannot now be determined what they will actually prove to be.”).

⁷³ Notice to the Commission shall be emailed to Tom Hutton, tom.hutton@fcc.gov, and Heather Dixon, heather.dixon@fcc.gov.

⁷⁴ Response at Attach. A.

⁷⁵ *Id.* at 6.

⁷⁶ *Id.* See also Report at Attach. 5.

⁷⁷ We expect the cost of a box of business cards will not be significantly more than the \$60 per box shown in the invoice submitted by PVBC, Report at Attach. 5, which Entravision has agreed is a reasonable amount. Report Response at 10.

⁷⁸ Response at Attach. C.

⁷⁹ *Id.*

⁸⁰ *Id.* at 6.

⁸¹ *Id.* See also Report at Attach. 7.

⁸² We expect the cost of a box of window envelopes will not be significantly more than the \$195 per box shown in the invoice submitted by PVBC, Report at Attach.7, which Entravision has agreed is a reasonable amount. Report Response at 11

⁸³ Response at Attachs. E and F.

⁸⁴ *Id.*

envelopes in its possession.⁸⁵ It also indicates that it last ordered them on May 23, 2019.⁸⁶ Based on the information provided, we find PVBC is entitled to reimbursement for the cost of replacing no more than 925 plain envelopes.⁸⁷

*NCR/Client Intake Form.*⁸⁸ PVBC provided a photo of this form.⁸⁹ The form includes KPPV(FM)'s call letters and its old frequency.⁹⁰ PVBC states that, as of the date of the *Expenses Letter*, it had approximately 150 such forms in its possession.⁹¹ It also indicates that it last ordered these forms on May 28, 2020.⁹² We acknowledge that, as Entravision notes, the client intake forms are "internal accounting form[s]," and KPPV(FM)'s frequency appears on this form in "small print."⁹³ However, these facts are irrelevant. It is the KPPV(FM) channel change that will render the forms outdated.⁹⁴ Accordingly PVBC is entitled to reimbursement for the cost of replacing no more than 150 of them.⁹⁵

5. Advertising Promotion for New Frequency

At the outset, we reject Entravision's assertion that any advertising beyond on air announcements is unnecessary, and therefore not legitimate and prudent and not reimbursable.⁹⁶ As the *Expenses Letter* noted, the Commission has required reimbursement for newspaper advertising, and the Bureau has required reimbursement for television advertising.⁹⁷ Moreover, Entravision appears to accept that billboard advertising may be a legitimate and prudent expense.⁹⁸ While we continue to believe that on air announcements will play a critical role in notifying KPPV(FM) listeners about the station's channel change,⁹⁹ that does not mean that other advertisements cannot qualify as legitimate and prudent expenses too.

⁸⁵ *Id.* at 6.

⁸⁶ *Id.* See also Report at Attach. 8.

⁸⁷ We expect the cost of a box of plain envelopes will not be significantly more than the \$85 per box shown in the invoice submitted by PVBC, Report at Attach.8, which Entravision has agreed is a reasonable amount. Report Response at 11

⁸⁸ We view these forms as similar to the station logs discussed by the Commission in *Circleville*. *Circleville*, 8 FCC 2d at 164, para. 12. In *Circleville*, the Commission found that reimbursement for printing of new logs was "appropriate." *Id.*

⁸⁹ Response at Attach. G.

⁹⁰ *Id.*

⁹¹ *Id.* at 7.

⁹² *Id.* See also Report at Attach. 9.

⁹³ Reply to Response at 9.

⁹⁴ PVBC could have chosen not to replace these forms. However, it is PVBC's, not Entravision's, choice whether to do so.

⁹⁵ We expect the cost of these forms will not be significantly more than the amount shown in the invoice submitted by PVBC. Report at Attach. 9 (listing a charge of \$48.50 for 200 NCR forms).

⁹⁶ Reply to Response at 3.

⁹⁷ *Expenses Letter* at 13, citing *Circleville*, 8 FCC 2d at 164, para. 12, and *Lechman*, 8 FCC Rcd 3059, paras. 6, 10.

⁹⁸ Report Response at 7, n.5, and Exh. A.

⁹⁹ We note that the only evidence on the record at this time regarding on air announcements confirms this to be the case. Reply to Response at Exh. 1. Specifically, Entravision has submitted a letter from Ken Moultrie (Moultrie),

We also clarify that the *Expenses Letter* did not find—as Entravision asserts¹⁰⁰—that only advertising on media outlets that PVBC has not used before is reimbursable. Rather, the *Expenses Letter* explained how the general principle that a benefiting party should not be required to pay for improving the situation of the accommodating station applies in the context of advertising expenses.¹⁰¹ PVBC is not barred from using a media outlet it has previously used for general station advertising to promote the KPPV(FM) channel change.

We acknowledge that, as Entravision notes,¹⁰² PVBC did not provide mock ups or proofs of the advertisements it proposes to run. However, we conclude that PVBC has provided enough information for us to determine whether its proposed advertisements will focus solely on promoting the KPPV(FM) channel change.¹⁰³ Specifically, PVBC has stated that “each proposed advertisement has the sole purpose of notifying the public of the involuntary channel change.”¹⁰⁴ It also has indicated that advertisements placed before the KPPV(FM) channel change occurs will feature the slogan “GET READY TO MAKE THE BIG SWITCH” while the advertisements aired after the channel change will include slogans such as “DID YOU REMEMBER TO MAKE THE BIG SWITCH?” and “HOW COME MY KPPV 106.7 IS OFF THE AIR?”¹⁰⁵ Finally, PVBC has explained that it expects print advertisements to “show the dial positions ‘Before’ and ‘After’ in graphic form, in a countdown type format.”¹⁰⁶

As we discussed in the *Expenses Letter*, barring exceptional circumstances, advertising an involuntary channel change for longer than 3 months would not be reasonable.¹⁰⁷ Despite this, PVBC continues to propose to run 12 months of advertisements on each media outlet identified in the Report. PVBC has not demonstrated the existence of any exceptional circumstances that would justify running advertisements for such a long period of time, nor has it demonstrated that there is a need to promote the channel change for an extended period of time after it occurs.¹⁰⁸ Indeed, common sense tell us that the most critical advertising will occur prior to the channel change or immediately after it.

the founder and managing partner of Broadcast Partners, LLC, which provides consulting and programming services to radio station broadcasters. *Id.* Moultrie states that, based on his long experience in broadcasting, “air[ing] 30 second announcements on KPPV once per hour for a period of 30 days prior the flip and for a period of 7 days after the flip will be sufficient and successful for the station.” *Id.*

¹⁰⁰ Reply to Response at 10 (arguing that only the television advertising that PVBC identified in the Report “might be reimbursable” because PVBC has not previously run television ads).

¹⁰¹ *Circleville*, 8 FCC 2d at 164, para. 12

¹⁰² Reply to Response at 11, 13, 14, 15.

¹⁰³ The intent of requiring the mock ups and proofs was to ensure that the proposed advertisements would be focused solely on promoting the KPPV(FM) channel change. We will not penalize PVBC for demonstrating this in a different way.

¹⁰⁴ Response at 8.

¹⁰⁵ *Id.* at 8-9 (discussing proposed Cottonwood and Prescott Valley Chamber of Commerce advertisements), 10 (discussing proposed billboard advertisements), 10-11 (discussing proposed newspaper advertisements), 11-12 (discussing proposed television advertisements), and 12-13 (discussing proposed mailer advertisements).

¹⁰⁶ *Id.* at 9

¹⁰⁷ *Expenses Letter* at 13.

¹⁰⁸ Response at 8, 10, 11, 12, 13 (indicating that PVBC intends to run ads promotion the channel change “at least a month in advance”); Report at Preliminary Assessment (As of February 24, 2022) Expected Legitimate and Prudent

Having reached these conclusions, we clarify one detail related to the inserts in the Prescott Valley Chamber of Commerce Newsletter that Entravision has conceded are a reimbursable expense. We then turn to the individual advertising expenses identified by PVBC. As detailed below, we find that PVBC is not entitled to reimbursement for advertising by direct mail or advertising in the other Chamber of Commerce publications it listed in the Report, but is entitled to reimbursement for some but not all of the billboard, newspaper, and television advertising it has proposed.

Prescott Valley Chamber of Commerce Newsletter Inserts. In the *Expenses Letter* we noted that Entravision did not dispute that these inserts were a reimbursable expense,¹⁰⁹ and that the only issue in dispute was whether Entravision should be required to reimburse PVBC for more than three months of the inserts.¹¹⁰ We determined that Entravision must reimburse PVBC for the cost of no more than three months of these inserts.¹¹¹

Entravision now requests that we clarify that the inserts must be no more than a half page in size, and must relate only to the KPPV(FM) channel change.¹¹² Based on the estimated cost that PVBC listed in the Report, we see no need to limit the size of the inserts that PVBC will be distributing with the Prescott Valley Chamber of Commerce Newsletter.¹¹³ We remind PVBC that these flyers must solely promote the KPPV(FM) channel change and that Entravision is required to reimburse PVBC for no more than three months' worth of these flyers.¹¹⁴

Prescott Valley Chamber of Commerce Publication. The advertising that is reimbursable under *Circleville* and its progeny must be designed "to acquaint [a station's] audience with the forthcoming [channel] change."¹¹⁵ However, the information that PVBC provided suggests that it uses the publication to reach potential advertisers.¹¹⁶ Common sense also suggests that PVBC would use Chamber of Commerce publications to reach potential advertisers. A chamber of commerce is, by definition, a group of businesses,¹¹⁷ and, generally speaking, it is businesses that advertise on radio stations. Because the

Costs Associated with the Changing of KPPV from 106.7 to 106.9 FM, to Be Reimbursed by Entravision Holdings, LLC (Preliminary Assessment), and Attachs. 11, 12, 13, 19, 30, and 31 (proposing 12 months of advertising).

¹⁰⁹ Where the parties have agreed that an expense is reimbursable, we do not perform our own independent analysis of whether an item is reimbursable.

¹¹⁰ *Expenses Letter* at 12-13.

¹¹¹ *Expenses Letter* at 13.

¹¹² Reply to Response at 10. We note that Entravision also requests that we clarify that it is obligated to reimburse PVBC for no more than three months of the inserts. However, the *Expenses Letter* clearly stated that. *Expenses Letter* at 13 (requiring Entravision to reimburse PVBC "for the costs of three months of inserts in the Prescott Valley Chamber of Commerce newsletter"). Accordingly, no such clarification is needed.

¹¹³ Report at Preliminary Assessment (proposing 12 months of inserts at \$100 per month), and Attach. 12 (listing a charge of \$100 for "Insert for flyer for business).

¹¹⁴ See *Expenses Letter* at 13.

¹¹⁵ *Circleville*, 8 FCC 2d at 162, para. 7.

¹¹⁶ For instance, one of PVBC's prior advertisements encouraged members of the Prescott Valley Chamber of Commerce to purchase live, on-site broadcasts from KPPV(FM) or an affiliated station. Response at Attach. H. Another consisted of the contact information for an "Advertising Account Executive." *Id.*

¹¹⁷ Jamie Johnson, What Is a Chamber of Commerce, and Why Should You Join One? (June 10, 2021), <https://www.uschamber.com/co/start/strategy/what-is-a-chamber-of-commerce>.

proposed advertisements in the Prescott Valley Chamber of Commerce Publication are not intended to inform listeners of the KPPV(FM) channel change, they are not a reimbursable expense.¹¹⁸

Cottonwood Chamber of Commerce Publication. PVBC is not entitled to reimbursement for the placement of advertisements in the Cottonwood Chamber of Commerce publication. PVBC identifies this expense for the first time in the Response. While PVBC claims that the Report included an invoice for previous advertisements placed with the Cottonwood Chamber of Commerce,¹¹⁹ it did not, nor did it list advertisements with the Cottonwood Chamber of Commerce as an expense item.¹²⁰ PVBC had an extended amount of time in which to identify the expenses it expects to incur to implement the KPPV(FM) channel change, and obtain estimates and other documentation regarding those expenses.¹²¹ Despite this, PVBC has not provided any documentation related to the Cottonwood Chamber of Commerce publication. PVBC has not met its burden of proof in relation to the advertising it proposes to place in the Cottonwood Chamber of Commerce publication. For this reason, this advertising is not a reimbursable expense.¹²²

Valpak Inserts, Zion Marketing Mailings, Verde Valley Advertising Mailings. PVBC has not satisfied its burden of proof with respect to the direct mail advertising it proposes. Unlike newspaper and television advertising, the Commission has not previously found direct mail to be a legitimate means of promoting an involuntary channel change. Thus, PVBC needed to demonstrate not only that such advertising would be prudent but also that such advertising is a legitimate means of promoting the KPPV(FM) channel change to the station's listeners.¹²³ PVBC did not even attempt to do so.¹²⁴

Billboards. As we noted in the *Expenses Letter*, Entravision concedes that billboard advertising can be a legitimate means of promoting an involuntary channel change.¹²⁵ The question, then, is whether the billboard advertising PVBC proposes is prudent (*i.e.*, reasonable in both extent and cost). We

¹¹⁸ We note that, even if the advertisements could be viewed as intended to inform listeners of the KPPV(FM) channel change, we would conclude they were not a prudent expense and thus not eligible for reimbursement. Because the Prescott Valley Chamber of Commerce publication appears to be distributed only to members, the publication would not be an efficient means of reaching the listening public or, more specifically, KPPV(FM) listeners.

¹¹⁹ Response at 8, *citing* Report at Attachs. 11 and 12.

¹²⁰ Report at Preliminary Assessment (identifying expense items only for "Prescott Valley Chamber of Commerce Ad" and "Prescott Valley Chamber of Commerce Inserts").

¹²¹ *Expenses Letter* at 17.

¹²² We note that, had PVBC identified this expense in the Report and provided documentation, we still would conclude it was not entitled to reimbursement. *See supra* discussion of Prescott Valley Chamber of Commerce publication, and note 118.

¹²³ Entravision argues that PVBC cannot make out a case for the value of these inserts since it has only used them sporadically. Reply to Response at 14. However, PVBC's prior use of direct mail inserts suggests that direct mail holds some value for PVBC, particularly in promoting specific events such as the KPPV(FM) channel change. Response at 12-13. This does not mean, though, that direct mail advertising necessarily is either a legitimate or prudent means of promoting the KPPV(FM) channel change. It simply means that we reject Entravision's argument that sporadic use of a media outlet necessarily means it holds no advertising value.

¹²⁴ We believe PVBC would have been hard pressed to demonstrate that the proposed \$38,640 in direct mail expenses were prudent. Report at Preliminary Assessment, and Attachs. 30 and 31. As Entravision notes, these inserts are irregular in issuance, addressed to street addresses not individuals, and include advertisements for numerous businesses. Reply to Response at 14-15.

¹²⁵ *Expenses Letter* at 13, n.83.

conclude that PVBC has not demonstrated that advertising the KPPV(FM) channel change on 20 billboards is prudent. While PVBC states that it intends to “undertake a significant marketing blitz” associated with the proposed channel change, “especially aimed at listeners driving in their vehicles in and around the KPPV service area,”¹²⁶ we believe on-air announcements of the upcoming channel change are a far more efficient and cost-effective way for PVBC to notify KPPV(FM) listeners. On-air announcements reach listeners wherever the KPPV(FM) signal can be received, while billboards only reach those listeners who happen to drive by (and read) them.¹²⁷

Like Entravision, we find it would be reasonable and prudent for PVBC to use “the single billboard already on long-term lease ... to advise the public of the channel change.”¹²⁸ We note that Entravision has stated that it “is prepared to reimburse PVBC for the cost of fabricating and installing [on the one billboard it currently leases] a statement limited to the channel change for the Station or a sticker to be pasted over the channel position.”¹²⁹ Should PVBC choose to fabricate and install on the billboard it currently leases advertisements promoting solely the KPPV(FM) channel change, Entravision must reimburse PVBC for up to 3 months of rent for the billboard,¹³⁰ and the costs of fabricating and installing up to two billboard displays (a pre-channel change display and a post-channel change display).

Newspaper Advertising. The Commission has found newspaper advertising to be a legitimate means of promoting an involuntary channel change.¹³¹ The question, then, is whether the newspaper advertising PVBC proposes is prudent (*i.e.*, reasonable in both extent and cost).¹³² We conclude that PVBC has not demonstrated that weekly advertising in four different newspapers is necessary. We note that the Prescott Courier appears to be delivered throughout the KPPV(FM) service area, while the Chino Valley Review, the Prescott Valley Tribune, and the Verde Independent are delivered to portions of the KPPV(FM) service area that also receive the Prescott Courier. Based on this, we agree with Entravision that the prudent course of action would be for PVBC to advertise the KPPV(FM) channel change only in the Prescott Courier. We further agree with Entravision that the newspaper advertisements should be no

¹²⁶ Response at 9.

¹²⁷ Indeed, as Entravision notes, “[i]f promoting the Station on billboards were that important for the Station’s business, PVBC would have used more than this single billboard and prominently identified KPPV.” Reply to Response at 11.

¹²⁸ Reply to Response at 11.

¹²⁹ *Id.* at 12.

¹³⁰ Response at Attach. I.

¹³¹ *Expenses Letter* at 13, and n.83. Entravision questions why, given the circulation problems affecting the newspaper industry, there is any need to use newspaper advertising at this time. Reply to Response at 12 (noting that PVBC’s website indicates that KPPV(FM) reaches more than 350,000 people in the Prescott and Flagstaff markets, while the Prescott Courier has a circulation of 14,963 daily and 16,029 Sunday, the Chino Valley Review has a circulation of 7,000, the Verde Independent has a circulation of 3,131, and the Prescott Valley Tribune has a circulation of 15,000, and also noting that only one of the newspapers is a daily publication). We do not consider this argument, though, because the Commission has previously found newspaper advertising to be a reimbursable expense and we are bound by that precedent. *Circleville*, 8 FCC 2d at 1674, para. 12.

¹³² To the extent that Entravision argues that PVBC has not met its burden of proof because it did not submit copies of prior newspaper ads, or invoices for prior newspaper advertising, Reply to Response at 12, we reject that argument. While the *Expenses Letter* did require PVBC to provide these materials, PVBC has indicated it did not retain copies of the ads or the invoices. To penalize PVBC for failing to retain these materials would be inappropriate, particularly given that we have enough information before us to decide whether the newspaper advertising PVBC proposes is reimbursable.

larger than a quarter page.¹³³ Like full and half-page advertisements, quarter-page advertisements are highly visible to readers, but the smaller size is more consistent with our policy of restricting reimbursement to reasonable and prudent expenses. Accordingly, PVBC may be entitled to reimbursement for running a weekly quarter-page advertisement promoting the KPPV(FM) channel change in the Prescott Courier for a maximum of three months.¹³⁴ We note that, because PVBC has not submitted a cost estimate, we cannot determine whether the cost such advertisements in the Prescott Courier is reasonable or prudent.

Television Advertising. The Commission has previously found television advertising to be a legitimate means of promoting an involuntary channel change.¹³⁵ PVBC, however, still bears the burden of proving that the 1000 spots per month that it proposes¹³⁶ is prudent (*i.e.*, reasonable in both extent and cost). PVBC has not met this burden.¹³⁷ Rather than deny reimbursement for any television advertising, we will require Entravision to reimburse PVBC for the amount of television advertising it has characterized as reasonable.¹³⁸ Thus, PVBC is entitled to reimbursement for the cost of running 312 thirty-second spots each month for three months.¹³⁹

6. Promotional Expenses

In the *Expenses Letter*, we requested further information regarding various promotional items that PVBC claimed were reimbursable.¹⁴⁰ Specifically, we asked PVBC to demonstrate that there is a clear nexus between the need to replace the promotional items and the KPPV(FM) channel change by showing that each promotional item has KPPV(FM)'s old frequency on it.¹⁴¹ We also required PVBC to specify how many of each promotional item it had in its possession as of the date of the *Expenses Letter*,¹⁴²

¹³³ Reply to Response at 13.

¹³⁴ *Id.* at 12.

¹³⁵ *Expenses Letter* at 13.

¹³⁶ Response at 11-12. *See also* Report at Attach. 19; Report Reply at Exh. 19.

¹³⁷ Indeed, PVBC indicates it has not utilized television advertising in the past. Response at 11. This suggests that PVBC does not view television advertising as an efficient and/or cost-effective means of reaching listeners and potential listeners of KPPV(FM).

¹³⁸ Reply to Response at 14.

¹³⁹ *Id.* at 14 (explaining Entravision obtained a television advertising proposal and asserting that this proposal, “based on a reasonable number of cable channels for 30 second advertisements, for a three-month period, stands as a reasonable television advertising proposal”) and Exh. 3 (quoting 312 thirty second advertisements during a 4 week period).

¹⁴⁰ *Expenses Letter* at 15.

¹⁴¹ *Id.*

¹⁴² *Id.* While PVBC ultimately may use some of the promotional items in its possession at the time the *Expenses Letter* was released, and thus be entitled to reimbursement for a lesser quantity of the promotional items, the amounts it held on this date allow us to cap Entravision’s reimbursement obligation with respect to each item.

indicate when it last placed an order for each item,¹⁴³ and provide the invoice or other documentation related to that order.¹⁴⁴

After evaluating the Response, we have determined that PVBC failed to meet its burden of proof with respect to the following printed items: T-Shirts, Pens, Keychains, Car Shades, Banners, Lip Balms, Fleece Jackets, Satin Jackets, Polos, Lined Windbreakers, Bumper Stickers, Vinyl on Office Walls, and Tablecloths. Specifically, while PVBC claims to have provided a copy of the most recent invoice for each of these items, the documents PVBC provided are either undated or dated January, February or March 2022, and appear to be estimates as opposed to invoices for orders actually placed.¹⁴⁵ Because the *Expenses Letter* clearly required PVBC to state when it last ordered these items and PVBC has not done so, we find that PVBC has not met its burden of proof and is not entitled to reimbursement for these expense items.¹⁴⁶

As discussed below, PVBC is entitled to reimbursement for replacing certain promotional items listed in the Report if any such items remain in its possession when it discontinues use of promotional items with KPPV(FM)'s old frequency on them.¹⁴⁷ We note that, at this time, PVBC has not actually discontinued use of these items, or incurred any expenses related to these printed items.¹⁴⁸ Therefore, we cannot specify the extent of Entravision's reimbursement obligations or set a reimbursement deadline related to them. We do however, direct PVBC to notify Entravision and the Commission once it has discontinued use of a reimbursable promotional item.¹⁴⁹ In the notification, PVBC must indicate how many of the particular item it had in its possession at that time. Finally, when PVBC requests reimbursement, we expect it to provide a copy of the invoice for the promotional item along with its reimbursement request.

Large A-Frame Signs. PVBC provided photos of the large A-frame signs it seeks to replace. Each sign includes KPPV(FM)'s call letters and its old frequency.¹⁵⁰ PVBC states that, as of the date of

¹⁴³ *Id.* We requested this information in order to ensure that PVBC was being prudent in managing the expenses associated with the KPPV(FM) channel change. As the *Expenses Letter* noted, PVBC should not expect reimbursement for printed items with KPPV(FM)'s old frequency on them that were ordered after the Channel Change Order was released. *Id.* While it is possible that an accommodating party might need to order additional promotional items with a station's old frequency on them after the station's license was modified, that is not the case here.

¹⁴⁴ *Id.*

¹⁴⁵ Response at 13-14. *See also* Report at Attachs. 14, 20, 23, 24, 27, 28 and 29; Update at Attachs. 33 and 34.

¹⁴⁶ PVBC also failed to provide photographs of the Bumper Stickers, Vinyl on Office Walls, and Tablecloths, and failed to indicate how many of each item it had in its possession on the date of the *Expenses Letter*. *See Expenses Letter* at 15 (requiring PVBC to include photographs or other evidence demonstrating that each promotional item has KPPV(FM)'s old frequency on it, and requiring PVBC to indicate how many of each promotional item it had in its possession as of the date of the *Expenses Letter*), and n.94 (categorizing Bumper Stickers, Vinyl on Office Walls and Tablecloths as promotional items subject to this requirement)..

¹⁴⁷ *See supra* note 71.

¹⁴⁸ *See Circleville*, at para. 12 ("We do not here pass upon the amounts set forth, since it cannot now be determined what they will actually prove to be.").

¹⁴⁹ Notice to the Commission shall be emailed to Tom Hutton, tom.hutton@fcc.gov, and Heather Dixon, heather.dixon@fcc.gov.

¹⁵⁰ Response at Attach. L.

the *Expenses Letter*, it had 6 such signs in its possession.¹⁵¹ It also indicates that it last ordered A-frame signs on July 30, 2021.¹⁵² At that time, PVBC purchased one A-frame sign with KPPV(FM)'s old frequency on it.

Based on the information provided, we find PVBC is entitled to reimbursement for the cost of replacing no more than five large A-frame signs.¹⁵³ While PVBC has six such signs on hand, it ordered one of these signs more than a year after release of the *Channel Change Order*. As we noted in the *Expenses Letter*, "PVBC cannot expect to be reimbursed for promotional items with KPPV(FM)'s old frequency on them that were purchased after the KPPV(FM) license[] was modified on July 20, 2020."¹⁵⁴

Note Pads. PVBC provided photos of the note pads it seeks to replace. Each note pad includes KPPV(FM)'s call letters and its old frequency.¹⁵⁵ PVBC states that, as of the date of the *Expenses Letter*, it had 130 note pads in its possession.¹⁵⁶ It also indicates that it last ordered note pads on January 17, 2019.¹⁵⁷ Based on the information provided, we find PVBC is entitled to reimbursement for the cost of replacing no more than 130 note pads.¹⁵⁸

We reject Entravision's assertion that "only items that specifically refer to the Station should be reimbursed by it, as the reimbursement of items that identify more than the Station could well benefit PVBC's other stations."¹⁵⁹ While PVBC is only entitled to reimbursement for replacing promotional items that it plans to discontinue using because they include KPPV(FM)'s old frequency, PVBC is entitled to reimbursement for the full cost of replacing such items because, were it not for the KPPV(FM) channel change, replacement of the items would not be necessary.

Pint Glasses. PVBC provided photos of the pint glasses it seeks to replace. Each glass includes KPPV(FM)'s call letters and its old frequency.¹⁶⁰ PVBC states that, as of the date of the *Expenses Letter*, it had 75 pint glasses in its possession.¹⁶¹ It also indicates that it last ordered pint glasses on November 13, 2019.¹⁶² Based on the information provided, we find PVBC is entitled to reimbursement for the cost

¹⁵¹ *Id.* at 14.

¹⁵² *Id.* at 15. *See also* Report at Attach. 22.

¹⁵³ We expect that the cost of each sign will not be significantly more than the cost of the sign purchased on July 30, 2021 (\$115). *See* Report at Attach. 22.

¹⁵⁴ *Expenses Letter* at 15.

¹⁵⁵ Response at Attach. P.

¹⁵⁶ *Id.* at 14.

¹⁵⁷ *Id.* at 15. *See also* Report at Attach. 25.

¹⁵⁸ We expect the cost of each note pad will not be significantly more than the cost of the notepads purchased on January 17, 2019 (\$375 for 500 note pads, or \$0.75 per note pad). *See* Report at Attach. 25.

¹⁵⁹ Reply to Response at 15.

¹⁶⁰ Response at Attach. Q.

¹⁶¹ *Id.* at 15.

¹⁶² *Id.* at 14. *See also* Report at Attach. 26.

of replacing no more than 75 pint glasses.¹⁶³ As noted above, we reject Entravision’s assertion that “only items that specifically refer to the Station should be reimbursed by it.”¹⁶⁴

Box Truck Wrap and Scoreboard Vinyl. PVBC is entitled to reimbursement for expenses associated with replacing Box Truck Wrap, and Vinyl for Scoreboard at Local Stadium.¹⁶⁵ We reject Entravision’s assertion that PVBC has not provided any documentation showing that there is a nexus between these items and the channel change.¹⁶⁶ PVBC has provided photographs of each item, which demonstrate that the items feature KPPV(FM)’s old frequency.¹⁶⁷ As we noted in the *Expenses Letter*, photographs demonstrating that an item has the old KPPV(FM) frequency on it “will establish the nexus between the need to replace the item at issue and the KPPV(FM) channel change.”¹⁶⁸

7. Miscellaneous Expenses.

Outdoor Signage. PVBC is entitled to reimbursement for the cost of replacing the outdoor signage identified in the Update.¹⁶⁹ PVBC provided a photo of the outdoor signage that it proposes to replace. The sign includes KPPV(FM)’s call letters and its old frequency.¹⁷⁰ We note that Entravision did not dispute PVBC’s claim that replacement of the sign is a reimbursable expense.

Interior Signage. PVBC is entitled to reimbursement for the cost of replacing one interior sign.¹⁷¹ PVBC provided a photo of the sign, which demonstrates that the sign includes KPPV(FM)’s old frequency.¹⁷² We reject Entravision’s argument that PVBC is not entitled to reimbursement for replacing this interior sign.¹⁷³ Even assuming, as Entravision asserts, that this “interior sign” “has no bearing on PVBC’s business, its advertisers or listeners”¹⁷⁴ that does not change the fact that the sign includes KPPV(FM)’s old frequency. But for the involuntary channel change, there would be no need to replace it.

¹⁶³ We expect the cost of each pint glass will not be significantly more than the cost of the pint glasses purchased on November 13, 2019 (\$1.41 per glass plus a \$45 set up charge). See Report at Attach. 26.

¹⁶⁴ Reply to Response at 15. See discussion of this issue in the preceding paragraph.

¹⁶⁵ Report at Preliminary Assessment, and Attachs. 15, 16. We expect the cost of the Box Truck Wrap and Vinyl for Scoreboard at Local Stadium will not be significantly more than that specified in the estimates submitted by PVBC. See *id.* (estimating costs of \$7,121.30 for Box Truck Wrap, and \$794.83 for Vinyl for Scoreboard at Local Stadium).

¹⁶⁶ Reply to Response at 20.

¹⁶⁷ Update at Representative Examples; Report Reply at Exh. 17.

¹⁶⁸ *Expenses Letter* at n. 79.

¹⁶⁹ We expect the cost of replacing the signage will not be significantly more than that specified in the estimate submitted by PVBC. See Update at Attach. 36 (estimating costs of \$1,318.04 for material and labor associated with replacing the outdoor signage).

¹⁷⁰ *Id.* at Attach. 36, and Representative Examples.

¹⁷¹ We expect the cost of replacing the sign will not be significantly more than that specified in the estimate submitted by PVBC. See Report at Attach. 17 (estimating cost of \$237.34 per interior sign).

¹⁷² Response at Attach. S.

¹⁷³ Reply to Response at 16.

¹⁷⁴ *Id.*

Repaint Wall and Connected Surfaces with New Logos. PVBC is entitled to reimbursement for the cost of repainting a wall and connected surfaces.¹⁷⁵ PVBC provided a photo of the wall to be painted, which features KPPV(FM)'s call letters and old frequency.¹⁷⁶ PVBC states that the painting company advised it that "because of the age of the paint and color, it will not be possible to undertake a simple repainting. Instead the entire wall will have to be repainted."¹⁷⁷ We reject Entravision's argument that this is not a reimbursable expense because the interior painting will occur in a location "where there is no contact with the public and advertisers."¹⁷⁸ While that does mean that this expense does not qualify as an advertising expense, it does not mean it is not reimbursable. The wall features KPPV(FM)'s old frequency. Repainting of the wall is directly linked to the involuntary channel change.

Additional Signage for Remotes. PVBC is entitled to reimbursement for one existing magnetic sign, and two other existing signs used in conjunction with remotes. PVBC provided photos of one magnetic sign and two other signs.¹⁷⁹ All of the signs include KPPV(FM)'s call letters and old frequency.

Production for KPPV Station ID with New Frequency. PVBC is entitled to reimbursement for the cost of producing a new station identification for KPPV(FM) that uses the station's new frequency.¹⁸⁰ We reject Entravision's argument that PVBC has not provided any documentation showing that there is a nexus between this expense and the channel change.¹⁸¹ In fact, PVBC has indicated that "the script of the current station identification for KPPV is 'The Mix 106.7 FM is KPPV, Prescott Valley/Prescott and Cottonwood/Verde Valley.'"¹⁸² But for the involuntary channel change, there would be no need to produce a new station identification.

We do agree with Entravision that the estimate PVBC submitted¹⁸³ offered no explanation of the work to be undertaken¹⁸⁴ and did not include the name of the vendor.¹⁸⁵ Without more information, we are unable to determine whether the work to be done would simply allow PVBC to replace an obsolete station identification or would improve KPPV(FM)'s situation. Additionally, without more information, we are unable to determine whether the estimated cost of producing the new station identification is reasonable and prudent. As PVBC moves forward with production of a new KPPV(FM) station

¹⁷⁵ We expect the cost of this repainting will not be significantly more than that specified in the estimate submitted by PVBC. See Report at Attach. 17 (estimating repainting costs of \$740).

¹⁷⁶ Response at Attach. U.

¹⁷⁷ *Id.* at 15, citing Report at Attach. 17.

¹⁷⁸ Reply to Response at 16.

¹⁷⁹ Response at Attach. V.

¹⁸⁰ Report at Preliminary Assessment.

¹⁸¹ Reply to Response at 20.

¹⁸² Report Reply at 14. To the extent Entravision alleges that PVBC did not provide the existing jingle, Reply to Response at 21, n.14, it is mistaken.

¹⁸³ Report at Attach. 10.

¹⁸⁴ Report Response (noting that the estimate lists "Station Imaging" and "Station Makeover" without explaining what these two categories of work entail).

¹⁸⁵ Reply to Response at 21, n.14.

identification, we caution it to bear in mind that Entravision is not required to pay for improving KPPV(FM)'s situation.¹⁸⁶

Payroll and Overtime Expenses. PVBC submitted a list of tasks that will result in payroll and overtime expenses but notes that the list is “not intended to be exhaustive.”¹⁸⁷ While PVBC may be entitled to reimbursement for payroll and overtime expenses related to tasks it did not identify, it also may not be entitled to reimbursement for those expenses. We caution PVBC that, should it incur other payroll and overtime expenses without obtaining Entravision’s prior commitment to reimburse or obtaining guidance from the Commission that the tasks at issue are reimbursable, it will do so at its own risk. We also remind PVBC that, given the extended amount of time it has had to identify the expenses it will incur to implement the KPPV(FM) channel change, in order to be reimbursable, any newly identified payroll and overtime expenses would need to relate to tasks that PVBC could not have reasonably anticipated.¹⁸⁸

Turning to the tasks identified by PVBC, we find that only one—replacing KPPV(FM) logos—might be reimbursable. However, PVBC has not provided any information about how many KPPV(FM) logos need to be redesigned, where these logos are currently used, or exactly what design and other work must be performed.¹⁸⁹ PVBC also has not explained why its webmaster cannot accomplish this work during regular business hours. Accordingly, it is impossible for us to determine whether 30 hours of overtime work by PVBC’s webmaster is a legitimate and prudent expense.¹⁹⁰ PVBC therefore has not met its burden of proof with respect to this claimed expense, and is not entitled to reimbursement for expenses related to updating KPPV(FM) logos.

We also find that the other tasks listed by PVBC—all of which relate to staff efforts to inform the public, advertisers or community leaders of the KPPV(FM) channel change—are not reimbursable. As discussed above, for advertising and other efforts to promote the KPPV(FM) channel change to be reimbursable, they must be designed “to acquaint [a station’s] audience with the forthcoming [channel] change.”¹⁹¹ Telephone calls to advertisers and sponsors are not intended to inform listeners of the KPPV(FM) channel change, and thus are not a reimbursable expense.¹⁹² The same is true of the announcements PVBC states that staff will put together and mail to advertisers, and the telephone calls it proposes to make to community leaders.¹⁹³ Moreover, while staff visits to outside locations¹⁹⁴—which

¹⁸⁶ *Circleville*, 8 FCC 2d at 164, para. 12.

¹⁸⁷ Response at 16.

¹⁸⁸ *Expenses Letter* at 17.

¹⁸⁹ As Entravision points out, it is unclear what websites need correction other than the KPPV(FM) website, the Arizona’s Hometown Radio Group website and any related Facebook pages. Reply to Response at 17.

¹⁹⁰ Response at 17.

¹⁹¹ *Circleville*, 8 FCC.2d at 162, para. 7.

¹⁹² Response at 16-17. We note that, even if this outreach could be viewed as intended to inform listeners of the KPPV(FM) channel change, we would conclude it was not a prudent expense and thus not eligible for reimbursement. It would not be an efficient means of reaching the listening public or, more specifically, KPPV(FM) listeners.

¹⁹³ *Id.* at 16-17, 18. While we understand the importance of ensuring that community leaders direct the public to KPPV(FM)’s new frequency when using the station to distribute information related to public health and safety, we believe that the efforts PVBC will undertake to promote the KPPV(FM) channel change to the public should ensure that community leaders (who themselves are members of the public) are informed of the change.

¹⁹⁴ *Id.* at 17-18.

PVBC states would involve passing out flyers to the public—would notify the public of the KPPV(FM) channel change, they would not be a prudent means of doing so, especially in view of the other means of advertising PVBC will be undertaking.

Finally, while live remotes may be a legitimate way to promote the KPPV(FM) channel change, they are not a prudent means of doing so. To the extent that live remotes involve on-air announcements to the public, they are more expensive, but no more effective, than on-air announcements from the station's main studio.¹⁹⁵ Further, while the presence of KPPV(FM) staff at locations in the community might serve to inform members of the public about the KPPV(FM) channel change, PVBC has not demonstrated that these events would be an efficient or cost effective way of doing that.¹⁹⁶ Given the other efforts PVBC will be undertaking to promote the channel change, we believe it would be difficult for PVBC to make such a showing. Further, to the extent that PVBC plans to use the live remotes to “urge listeners to ‘tune in and turn in’ their obsolete station gear ... for updated gear with the new logo,”¹⁹⁷ it is not entitled to reimbursement for this activity. As we noted in the *Expenses Letter*, “[p]romotional items hold little or no value with respect to informing the public of the involuntary channel change.”¹⁹⁸

Search Engine Optimization. PVBC is not entitled to reimbursement for search engine optimization work. This work would increase the visibility of the KPPV(FM) and Arizona's Hometown Radio Group websites but would not itself notify the public of the channel change. As noted above, Entravision is not required to pay for improving KPPV(FM)'s situation.¹⁹⁹

PVBC is entitled to reimbursement for some of the web search correction work it proposes. As PVBC explains it, the web search correction work would ensure that various websites like tunein.com, and radio-locator.com list KPPV(FM)'s new frequency, and therefore that “persons become aware” of the KPPV(FM) channel change.²⁰⁰ Unlike Entravision, we believe that this is a legitimate and prudent expense that does not duplicate any of the other advertising efforts PVBC will be undertaking. However, we are skeptical that this work needs to be performed for both KPPV(FM) and Arizona's Hometown Radio Group. PVBC has not explained why the work being undertaken for KPPV(FM) will not be sufficient, and the estimate PVBC submitted does not explain why additional efforts related to Arizona's Hometown Radio Group are necessary. Accordingly, we find PVBC is entitled to reimbursement only for web search correction work related to KPPV(FM).

Finally, we find that PVBC is entitled to reimbursement for only three months of web search correction work.²⁰¹ While PVBC asserts that this work will require at least a year of efforts, we cannot agree. We believe three months of web search correction work should be adequate. And, while we

¹⁹⁵ *Id.* at 18 (noting that live remotes require removing or rescheduling paid advertisers, additional staff time to create special logs, and payment of overtime to staff when held on weekends).

¹⁹⁶ For instance, PVBC has offered no information regarding the locations to be used, and the anticipated vehicular and foot traffic at those locations.

¹⁹⁷ *Id.* at 18.

¹⁹⁸ *Expenses Letter* at n.93.

¹⁹⁹ *Circleville*, 8 FCC 2d at 164, para. 12.

²⁰⁰ Response at 19.

²⁰¹ We note that the estimate provided by PVBC combined web search correction and search engine optimization into one monthly charge. We expect that any invoice that PVBC ultimately submits for reimbursement will include a lower monthly charge, and will offer more specifics about the work that was performed.

acknowledge that some websites may not be corrected at the conclusion of the work, we note that PVBC plans to promote the KPPV(FM) channel change via a number of different media outlets. Thus, members of the public should be adequately informed regardless of whether a few websites contain outdated information.

Redesigning and Repairing Websites. PVBC is entitled to reimbursement for the cost of updating the KPPV(FM) and Arizona's Hometown Radio websites to reflect KPPV(FM)'s new frequency. PVBC asserts that this will entail the following work: (1) Web Design—Install Theme, Upload, and Prep for Design, (2) Redesign KPPV (Home Page, About Us, Personalities, Contests, Events, Community Calendar, Sanford's Celebrity Series, Advertise Now, Contact Us, Facebook, Listen Now), (3) Web Design—Install Theme, Upload, and Prep for Design, (4) Redesign Arizona's Hometown Radio Group (Home Page, Advertise on our 9 Stations, Contact Us, FCC Applications).²⁰² We have reviewed the KPPV(FM) website and the Arizona's Hometown Radio Group website and determined that all but the Contact Us and FCC Applications pages of the Arizona Hometown Radio Group website do include the old KPPV(FM) frequency and need to be updated.

We note that Entravision "has accepted, consistent with the \$41.25 web change expenses in *Appaloosa*, that an accommodating party should be reimbursed for the out-of-pocket expenses to change its channel position on its website."²⁰³ We caution PVBC that any web design work beyond that required to replace the old KPPV(FM) frequency with the new one is not reimbursable. Further, while the invoice provided by PVBC appears to include rush charges for the web design work, we do not believe that reimbursement for any rush charges would be appropriate.²⁰⁴ PVBC has had and will have plenty of time to update the KPPV(FM) and Arizona's Hometown Radio Group websites prior to the KPPV(FM) channel change.

III. ORDERING CLAUSES

Accordingly, **IT IS ORDERED** that the Third Motion to Strike filed by Entravision Holdings, LLC on July 1, 2022, **IS GRANTED**.

IT IS FURTHER ORDERED that the Petition for Reconsideration filed by Prescott Valley Broadcasting Co. Inc. on July 1, 2022, **IS DISMISSED WITHOUT PREJUDICE**.

IT IS FURTHER ORDERED that, within twenty (20) calendar days from the date of this letter, Entravision Holdings, LLC, **SHALL REIMBURSE** Prescott Valley Broadcasting Co. Inc. for the amounts listed herein, which total \$10,815.

²⁰² Update at Attach. 35.

²⁰³ Reply to Response at 19-20.

²⁰⁴ We expect the cost of this web design work to be less than that specified in the estimate submitted by PVBC, which included rush charges, and also included two Arizona's Hometown Radio Group pages that do not require updating. See Update at Attach. 35 (estimating costs of \$4,550 for the KPPV(FM) web design work, and \$1,750 for the Arizona's Hometown Radio Group web design work).

Finally, **IT IS ORDERED** that, within thirty (30) calendar days of the date of this letter, Prescott Valley Broadcasting Co. Inc., **SHALL FILE** a report regarding its receipt of the reimbursements referenced in the preceding paragraph with the Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Washington, DC 20554, and **SHALL SERVE** a copy of the response by email on Tom Hutton, tom.hutton@fcc.gov, Heather Dixon, heather.dixon@fcc.gov, and Barry A. Friedman, counsel for Entravision Holdings, LLC, Barry.Friedman@thompsonhine.com.

Sincerely,

Albert Shuldiner
Chief, Audio Division
Media Bureau