

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: In the Matter of: Carriage of Digital Television Broadcast Signals: Amendment to Part 76 of the Commission Rules; Implementation of the Satellite Home Viewer Improvement Act of 1999: Local Broadcast Carriage Issues and Retransmission Consent Issues, CS Docket Nos.: 00-96; CSR-5978-M, Second Report and Order, and Memorandum Opinion and Order.

I am pleased to support this *Second Report and Order* because we clarify the post-DTV transition carriage obligations of direct broadcast satellite (DBS) operators, and we affirm that satellite-delivered local-into-local service in all 210 markets is indeed in the public interest.

In today's Order, we reaffirm that "carry-one, carry-all" continues to be the operative standard for DBS carriage of local commercial and noncommercial broadcast stations. Whether DBS operators carry the standard or high definition digital signals of local broadcast stations in a particular market, the standard is the same. If an operator carries the HD signal of one local station, it must carry the HD signals of all local stations in that market. Every broadcast station in the local market in which the DBS operator is providing local-into-local service must be carried on the same terms and in a non-discriminatory manner.

While all stations in a particular market are treated similarly, this *Order* acknowledges that existing technological and capacity challenges of DBS facilities may inhibit operators from treating all markets alike – and at the same time. Hence, after much discussion with the DBS and broadcast industries, we adopt a four-year schedule for satellite carriage of local HD signals in all local-into-local markets by 2013. This phase-in, planned implementation provides clear, quantifiable local HD carriage benchmarks for each year from 2010 to 2013. While this approach does not provide immediate HD carriage in all markets, it does establish a process to achieve the statutory and policy goals of the Commission and the DTV transition, while recognizing real capacity constraints faced by DBS operators.

This sensible and measured process is in sharp contrast to the more draconian requirements that my colleagues imposed on small cable systems and operators in the *First Report and Order*. In that order, the Commission simply refused to consider the valid and demonstrable capacity limitations of cable systems with channel capacity of 552 MHz or less. Without adequate reasoning or justification, the Commission requires the smallest of cable operators to undergo an expensive, timing-consuming, burdensome and often unpredictable waiver process at the Commission. Many leaders in Congress have expressed concern about the Commission's misguided approach.¹ Today, I ask my colleagues to extend to small cable system operators the same level of fairness and consideration we provide to DBS operators in the instant *Order*. Fair is fair.

Finally, I am pleased that the Commission has unequivocally stated that satellite-delivered local-into-local in all 210 markets is in the public interest, promoting competition against cable, diversity of programming, and local news and information. Indeed, DBS operators should endeavor to serve all markets with a satellite-delivered solution that treats all consumers the same and does not impose equipment costs on consumers who happen to live in areas that DBS operators may view as lower-priority service markets.

For these reasons, I support this item.

¹ See Letter from Senators John D. Rockefeller, Trent Lott, Byron L. Dorgan, Olympia J. Snowe, Gordon Smith, Jim DeMint and John R. Thune, to Honorable Kevin J. Martin, Chairman, FCC (November 15, 2007) (stating that the authors "can not find a compelling reason to force small cable operators to incur unnecessary financial hardship" and "this dual-carriage obligation is extremely burdensome to small cable operators").