STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY

Re: *Amendment of the Commission's Rules Concerning Market Modification, Implementation of Section 102 of the STELA Reauthorization Act of 2014*, MB Docket No. 15-71.

I am pleased to support the Commission's latest step to implement the STELA Reauthorization Act of 2014, this time by proposing rules to address the challenge of "orphan counties" where satellite television subscribers do not receive in-state programming. I am very familiar with this issue, having worked to amend the law to directly allow New Hampshire's only full-power, in-state broadcaster to be made available statewide via satellite.[1]

In this case, Congress gave the Commission authority to modify a commercial television broadcast station's local television market for the purposes of satellite carriage, as we currently have in the cable carriage context. With this new authority, we will have the flexibility to adjust boundaries, within the limits of providers' abilities, to connect consumers with their preferred broadcasters.

While according to our 2011 report to Congress, about 99.98% of American households have access to in-state TV programming,[2] those that do not face a real uphill climb just to access vital information many of us take for granted, including state political and election coverage, public affairs programming, and weather and emergency alerts. Today the Commission makes a move toward finally getting a solution in place for more of these consumers. With a new process mainly following our established cable market modification procedure, we should be well-equipped to address the concerns of "orphaned" satellite viewers sooner rather than later.

While I recognize the streamlining value to be gained by incorporating satellite into a tried-and-true process, there are important differences between satellite and cable systems, and the Commission would do well to keep the distinctions in mind as it further considers these proposed rules. Parity is a valued principle, but it shouldn't sidestep logic. This item takes the differences into account, for example, in the proposed strong technical and economic feasibility requirement, which should ensure that satellite carriers will never be asked to accomplish impossible or cost-prohibitive modifications. However, the lines between cable and satellite are uncomfortably blurred at other points in the item. While noting that local franchising authorities "currently have no role in satellite regulation," we nonetheless seek comment on whether they should still be considered "interested parties" and required to be served with copies of satellite market modification petitions. I see no reason for the Commission to involve franchising authorities in satellite carriage decisions at any stage of the process, and would be highly unlikely to support such a requirement in any final rules.

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[1] *See* The Satellite Home Viewer Extension and Reauthorization Act of 2004, Pub. L. No. 108-447, 118 Stat 2809, Division J, Title IX, Title I, Sec. 102(2)(C)(i) (2004).

[2] *See In-State Broadcast Programming: Report to Congress Pursuant To Section 304 of the Satellite Television Extension and Localism Act of 2010*, Report, MB Docket No. 10-238, 26 FCC Rcd.11919, 11929 ¶ 17 (MB 2011).

On a separate note, I feel the Commission should transition required document service, in this and other contexts, to electronic means. This is not the first time I have suggested expanding the use of electronic communications to promote efficiency around FCC communications and filing requirements, and I appreciate the Chairman's commitment in this item to explore such modernization in the near term. I look forward to seeing progress on that front soon.