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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

OFFICE OF COMMISSIONER
JAMES H. QUELLO

October 4, 1982

Honorable Glenn English
Chairman, Subcommittee on Government
Information and Individual Rights
Committee on Government Operations
B-349-B-C Rayburn House Office Building
U. S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

In response to your letter of August 16th, I concur in the response of FCC Chairman Mark Fowler. I believe that the Commission is attempting to address the concerns you expressed in your letter as well as those expressed in the report entitled: "Direct Broadcast Satellites: International Representation and Domestic Regulations."

If I may be of assistance in resolving any of your specific concerns, please feel free to call upon me.

Sincerely,

James H. Quello
James H. Quello

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NINETY-SEVENTH CONGRESS

Congress of the United States
House of Representatives

GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS
SUBCOMMITTEE

OF THE

COMMITTEE ON GOVERNMENT OPERATIONS

RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-B-C

WASHINGTON, D.C. 20515

August 16, 1982

Mr. James H. Quello
Commissioner
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

Dear Mr. Commissioner:

On August 10, the Committee on Government Operations unanimously approved a report entitled: "Direct Broadcast Satellites: International Representation and Domestic Regulation". The report resulted from an investigation by the Subcommittee on Government Information and Individual Rights during which your participation was most helpful.

This report describes the elements of both the domestic authorization of DBS services and the international debate on the scope and nature of such satellite systems. The report concludes that DBS services would be useful in providing television programming to the people of the United States, particularly those residing in rural or remote regions of the country. The report further concludes that there are a number of issues left unresolved which the Commission should address.

The report also discusses those international activities and organizations affecting DBS operations in the future. The report concludes that the United States must be well prepared to negotiate its positions effectively. The report outlines specific concerns of the Committee pertaining to FCC resource needs, delegate selection, and coordination.

In conclusion, the report recommends specific matters to be addressed by the Commission. A copy of the report is enclosed. Please inform me as to what steps are being taken to carry out the recommendations contained in this report.

Sincerely,


Glenn English
Chairman

GE/dca/kar
Enclosure

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D. C. 20554

SEP 27 1982

OFFICE OF
THE CHAIRMAN

Honorable Glenn English
Chairman, Subcommittee on Government
Information and Individual Rights
Committee on Government Operations
B-349-B-C Rayburn House Office Building
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman English:

Thank you for your letter of August 16, 1982, which enclosed a copy of the report: "Direct Broadcast Satellites: International Representation and Domestic Regulation". As the report recognizes, many DBS issues remain to be resolved. However, I wholeheartedly agree with the report's assessments that domestic DBS interim authorizations are a "positive step" and that U.S. preparations for and the outcome of RARC-83 are important for DBS service in the United States. In general, the report touches upon the many and varied aspects of DBS and should serve as a valuable information source for the public, members of Congress and Congressional staffs.

In response to your request for information as to what steps are being undertaken to carry out the recommendations contained in the report, comments addressed to the enumerated recommendations (see page 3 of the report) are enclosed herewith. Please do not hesitate to contact me if I can be of further assistance in this matter.

Sincerely,



Mark S. Fowler
Chairman

Enclosure

RECEIVED

SEP 27 1982

JAMES H. QUELLO

1. In preparation for the 1983 Regional Administrative Radio Conference (RARC), the U.S. government should develop negotiating positions which:

a. are based upon an assessment of U.S. needs for DBS TV services;

An extensive analysis of the DBS applications before the Commission has been performed to ensure that a reasonable assessment of U.S. DBS requirements can be made. The U.S. has responded to an ITU questionnaire concerning DBS requirements in a manner that we feel will allow a full, viable DBS service in the U.S. if these requirements are satisfied at the 1983 Conference.

b. recognize the future spectrum needs of other Western Hemisphere nations;

Other countries of the Western Hemisphere have also responded to the above-mentioned ITU questionnaire. We are currently studying these responses, as well as other information we have, and are attempting to develop draft or sample plans that will meet not only our requirements, but those of other countries in the Region as well.

c. preserve technical flexibility in the deployment and use of DBS TV systems.

The fundamental approach to planning at the 1983 Conference that is being promoted by the FCC is one called "Block Allotment Planning". In this approach, countries would be allotted large blocks of spectrum from specific orbit locations, with there being only a few minimal technical constraints on the use of the spectrum. In this way, systems with widely varying technical characteristics, such as standard TV or high definition TV, could be implemented, depending upon the needs of each individual country.

2. The Committee supports U.S. government opposition to efforts within the U.N. Committee on the Peaceful Uses of Outer Space (COPUOS) to restrict DBS TV broadcasts intended for domestic consumption only through the imposition of a "prior consent" or "program content" policy or restriction.

The FCC in its preparations for the 1983 Conference also supports this position. Most of the delegations to the 1983 RARC will be technically sophisticated enough to realize that it is technically impossible to restrict the radiation from a satellite to the territory of one's own country. This was recognized at the 1977 BSS WARC and was handled by developing a plan that provided a national coverage and that limited radiation over other countries to the extent practical, consistent with the current technology. The FCC will insist that a similar position be taken at the 1983 RARC. We will not accept restrictions on the radiation of our satellites into the territory of other countries to the extent that it would severely handicap the providing of a domestic DBS service to the American public.

3. While the flexible regulatory approach taken by the FCC toward authorization of domestic DBS TV services is commendable, the FCC should, prior to the deployment of a DBS system, assess the impact of dislocation of those services now operating in the 12 GHz band and determine whether or not compensation should be provided to aid the displaced users in relocating to another frequency.

Throughout the DBS rule making proceeding, the Commission has taken great care to ensure that the existing microwave users of the 12.2-12.7 GHz band are treated fairly. Thus, when the Commission authorized DBS on June 23, it announced its intention to allocate other frequencies for these terrestrial users in a rule making proceeding that will be completed no later than September 1983. Under this plan, terrestrial users will not be required to vacate existing frequencies until five years after the conclusion of that rule making, i.e., mid-1988. After that, existing terrestrials must move to the new frequencies if they cause any interference to DBS systems. If no DBS system operates on a particular microwave frequency, the terrestrial microwave users of that frequency will be able to remain indefinitely. Furthermore, although the Commission indicated that it would not require DBS operators to compensate terrestrial users for relocation costs, it did suggest that agreements among DBS operators and existing terrestrial users could reduce interference during the five-year transition period and help compensate the existing users for the cost of relocation. Under this approach, DBS operators who are most vulnerable to interference could agree to pay the relocation costs of terrestrial operators in return for earlier exclusive use of the 12 GHz band.

In a further attempt to minimize the cost of relocation by microwave users, the Commission identified several alternative frequencies with technical characteristics very similar to the 12 GHz band, which would be shared with the Community Antenna Relay Service (CARS) and the Broadcast Auxiliary Service. This would be a particularly attractive solution for the terrestrial users, since the band is adjacent to that allocated to DBS and has similar propagation characteristics. Existing equipment could be used with only minor modifications, which would probably cost no more than \$2,000. Additionally, the Commission will consider rule changes that would allow some of the terrestrial microwave users to be accommodated in lower frequency bands, particularly the 6 GHz band, as well as in the higher 18 and 22 GHz bands.

We believe that these solutions address the concerns of terrestrial microwave users. They provide alternative frequencies on which terrestrial users can continue their operations and ample time to make the transition to those frequencies.

4. The FCC should ensure the performance of public service obligations of DBS TV licensees, whether licensed as broadcasters or as common carriers. The FCC should continue to respond to and act upon citizen complaints pursuant to its statutory duty to act in the public interest.

After considering the record compiled in the DBS rule making, the Commission determined that the public interest would be served by authorization of DBS service with the minimum permissible regulatory oversight. The Commission believes that the imposition of unnecessary regulations could inhibit the availability of DBS service to the public. Thus, the Report and Order imposed only those restrictions which were mandated by statute, in addition to an obligation to abide by the Commission's equal employment opportunity rules. Therefore, at this time, the Commission has not imposed any programming obligations on DBS applicants. Nevertheless, we believe that DBS will provide a valuable service to consumers. Of course, once the DBS service is operational, the Commission will respond to and/or act on citizen complaints to ensure that DBS operations continue to be carried out in the public interest.

5. Congress must quickly resolve the issue of whether participation by the private sector delegates in planning for international telecommunications conferences constitutes a conflict of interest in domestic regulatory proceedings.

The Commission agrees that the conflict of interest question should be addressed as soon as possible. We would point out that we believe that adequate and timely private sector participation in developing proposals and positions for this Conference is absolutely essential. Through the FCC's Advisory Committee, substantial private sector input has been made available that will significantly affect the U.S. proposals to the Conference. However, we will soon be entering a sensitive phase of our conference preparations, that is, the development of fallback positions and negotiating strategies. Private sector input into this phase is just as important as in the development of proposals. However, in order to get full private sector input into this area, it is necessary to have them work formally within the structure of an approved U.S. Delegation. The Department of State has been helpful recently in "nominating" delegations at an early date (e.g., the Mobile WARC), but has been reluctant to formally approve the final delegations until very close to the conference. We believe that the sooner a full, "formal" delegation can be named, the better our preparations will be.

6. The FCC must make certain the adequate funding resources are made available for its participation in the upcoming 1983 RARC and subsequent international communications conferences.

The Commission certainly recognizes the importance of the 1983 RARC to the future implementation of DBS in this country. We believe that the FCC FY '83 budget currently under consideration in the Congress will contain adequate resources to allow the proper FCC representation on the 1983 RARC delegation. With respect to the other upcoming conferences of the ITU, considering the information currently available, we believe that the proposed FY '83 budget contains adequate international travel funds for those meetings also. As noted in the Report, the FCC maintains an International Telecommunications Coordinating Committee which, among other things, maintains a close watch on FCC travel funds requirements. Through this mechanism, and the Commission's normal budget preparations process, proper provision will be made for FCC personnel participation at all appropriate international communications conferences. Should it develop that additional funds prove to be necessary for essential FCC participation in international meetings and conferences, we will not hesitate to seek additional appropriations to cover such needs.