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To: All TV Clients

February 1, 2008

THIRD DTV PERIODIC REPORT AND ORDER RULES, FORMS AND PROCEDURES EFFECTIVE JANUARY 30, 2008

On January 30, 2008, the FCC's *Third Periodic Review of the Commissions Rules and Policies Affecting the Conversion to Digital Television* was published in the Federal Register. As a consequence, the rules, forms and procedures adopted in the Third DTV Periodic Report and Order are now in effect.

In the Third DTV Periodic Report and Order, the FCC:

- Required all full power television stations to file by February 19, 2008 an FCC Form 387 (DTV Transition Status Report), which sets forth the station's current transition status, additional steps necessary for digital-only operation upon the expiration of the February 17, 2009 transition deadline, and a timeline for taking those steps. This report must be periodically updated until the station has begun operating their full digital facility.
- Established the following deadlines for stations to complete construction of their post-transition facilities:
 - The construction deadline for stations whose post-transition channel is different from their pre-transition channel or that face unique technical challenges is Feb. 17, 2009. Stations facing a unique technical challenge must identify that challenge on their Form 387 and in their application for post-transition facilities.
 - The construction deadline for stations whose post-transition channel is the same as their pre-transition channel and that hold a construction permit that matches their post-transition (DTV Table Appendix B) facilities is May 18, 2008.
 - The construction deadline for stations whose pre-transition channel is the same as their pre-transition channel, but which do not have a construction permit that matches their DTV Table Appendix B facilities is August 18, 2008.
- Established stricter standards for granting extensions of time to construct digital facilities for all construction deadlines on or before February 17, 2009. Construction deadlines occurring February 17, 2009 or later will be considered under the FCC's tolling standard. Sanctions for failing to meet a construction deadline include admonishment, being placed in remedial programs, forfeitures, loss of interference protection, and/or inability to expand facilities.
- Established temporary phased transition procedures:
 - Stations moving to a different digital channel may remain on their pre-

- transition digital channel while construction of final digital facilities are being completed if such operation does not cause impermissible interference to other stations, does not prevent other stations from making their transition, and the station serves at least the same population that receives the station's current analog and digital service.
- Stations may request Special Temporary Authority ("STA") to operate their post-transition facilities on their post-transition channel at less than their full, authorized facilities for a period of six months if the station: (i) faces a unique technical challenge and can serve at least 85% of the population that currently receives its analog and digital service; or (ii) has a significant technical impediment to construction that would not qualify for an extension of time to construct, and will serve 100% of the population that currently receives its analog and digital service. In either case, such operation may not cause impermissible interference to other stations or prevent other stations from making their transition.
 - Stations that will not serve the same population after the transition as they did before the transition must comply with certain viewer notification requirements.
- Provided regulatory flexibility to reduce or terminate existing analog or pre-transition digital service prior to the February 17, 2009 transition date where necessary to permit stations to finalize construction of their post-transition facilities.
 - Offered expedited processing of applications for post-transition facilities, provided that the proposed facilities (i) do not seek to expand the station's facilities beyond its final DTV Table Appendix B facilities; (ii) specifies facilities that are no more than 5% smaller than the station's final DTV Table Appendix B facilities, (iii) is filed by no later than March 17, 2008.
 - Established the following filing deadlines for stations to file their post-transition construction permit applications:
 - Stations with a August 18, 2008 construction deadline must file by no later than March 17, 2008.
 - Stations with a February 17, 2009 construction deadline must file by no later than June 19, 2008.
 - Announced its intent to lift the filing freeze on new applications to maximize a station's post-transition facilities on August 17, 2008.
 - Adopted a waiver policy that will permit the rapid approval of minor (*i.e.*, not exceeding 5 miles) expansion applications filed by stations that will not use their pre-transition DTV channel for post-transition operations.
 - Adopted a 0.5% new interference standard (*i.e.*, only considering interference in addition to that contained in the post-transition DTV Table Appendix B) for post-transition facilities, future maximizations applications and applications to implement new allotments.
 - Adopted the ATSC Program System and Protocol (PSIP) Standard of A/65C and mandated that stations implement this standard by May 29, 2008.
 - Required DTV station permittees that operate pursuant to an STA (or any other FCC instrument authorizing DTV transmissions) to file FCC Form 317 and pay fees on any revenues derived from feeable ancillary or supplementary services.

- Required stations that use one of their multicast streams to air programming provided by another station, such as a low power station, to use the following station identification:
 - “Station [*call-sign & community of license of the station whose multicast stream is transmitting the programming*] bringing you [*call-sign & community of license of the licensee providing the programming*].”

This Memorandum provides a general summary of the new rules and procedures adopted in the Third DTV Periodic Report and Order. Should you have any questions concerning the application of these new rules and policies to specific circumstances, please contact any attorney in our office.

Leventhal Senter & Lerman PLLC

This memorandum is intended only as a general discussion of these issues and should not be regarded as legal advice. We would be pleased to provide additional details or advice about specific situations if desired. To discuss any of the issues presented here, please contact any attorney in our office.