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FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D. C. 20554

JAN 3 1 2003

Wayne D. Johnsen, Esquire Wiley, Rein & Fielding, LLP 1776 K Street, N.W. Washington, D. C. 20006-1301 RECEIVED & INSPECTE

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FCC - MAILROOM

In Re: WEGZ(FM), Washburn, WI

Facility ID No. 15972 Keweenaw Bay Broadcasting, Inc. Application for Assignment of License File No. BAL-20021230AAE

File No. BMLH-20021230AAD To Convert to Noncommercial Educational Status

Request for Waiver of 47 C.F.R. §73.1125

Dear Mr. Johnsen:

This is in reference to the captioned applications to: (1) assign the license of WEGZ(FM), Washburn, Wisconsin from DDS Communications, Ltd. ("DDS") to Keweenaw Bay Broadcasting, Inc. ("Keweenaw"); and (2) modify the WEGZ(FM) license by converting it from commercial to noncommercial educational status. The modification of license application also contains a request for a waiver of the Commission's Main Studio Rule, 47 C.F.R. Section 73.1125, in order to operate station WEGZ(FM) as a "satellite" of commonly owned noncommercial educational ("NCE") station WVCY-FM, Milwaukee, Wisconsin. For the reasons set forth below, we shall grant the assignment application, the modification of license application, and the waiver request. The latter grants will become effective upon notification of consummation of the assignment application.

¹ A "satellite" station meets all of the Commission's technical rules. However, it originates no programming and instead rebroadcasts the parent station's programming. See Amendment of Multiple Ownership Rules Memorandum Opinion and Order, 3 RR2d 1554, 1562 (1964).

² Keweenaw is proposing to reclassify WEGZ(FM) from commercial to noncommercial educational status pursuant to 73.1690(c)(9).

Main Studio Waiver. Pursuant to Section 73.1125(a), a broadcast station's main studio must be located either (1) within a station's community of license, (2) within the principal community contour of any other broadcast station licensed to its community, or (3) within 25 miles of the center of its community of license.³ However, under Section 73.1125(b)(2), the Commission will waive these requirements where "good cause" exists to do so and where the proposed studio location "would be consistent with the operation of the station in the public interest." Each waiver request by an NCE station needing to operate as the satellite of another NCE station is considered on a case-by-case basis. The Commission has recognized the benefits of centralized operations for NCE stations, given their limited funding, and thus found "good cause" exists to waive the main studio location requirement where satellite operations are proposed.⁴ A satellite station must, however demonstrate that it will meet its local its local service obligation to satisfy the Section 73.1125 "public interest" standard.⁵

Keweenaw's request is based on the economies of scale, which would be realized by grant of its waiver. We agree and conclude that there is a "good cause" to waive 47 C.C.R. Section 73.1125(a)(4) under these circumstances.

Keweenaw proposes to operate proposes to operate WEGZ(FM), Washburn, Wisconsin as a satellite station of WVCY-FM, Milwaukee, Wisconsin, approximately 288 miles from Washburn. Where there is a great distance between the parent and satellite station, as here, we are particularly concerned that the licensee take adequate measures to maintain the awareness of the satellite community's needs and interests. To that end, Keweenaw has stated that it will: (1) add to its regional advisory council at least one resident of Washburn, who will be asked to provide recommendations on community needs and programming directly to the management of Keweenaw; (2) during each "Shareathon" pledge drive held three times annually, solicit listeners' opinions regarding community issues that should be addressed during program planning; (3) maintain a web page permitting listeners to have input regarding programming on WEGZ(FM); (4) maintain a web page which permits listeners to have input regarding the station's local programming; (5) provide periodic local programming for Washburn, including information about community events; and (6) maintain a toll-free telephone number, as required by Section 73.1125(d) of the rules.

In these circumstances, we are persuaded that Keweenaw will meet its local service obligation and thus, that grant of the requested waiver is consistent with the public interest. We remind Keweenaw, however, of the requirement that it maintain a public file for the Washburn, Wisconsin station at the main studio of the "parent" station WVCY-FM, Milwaukee. It must also make reasonable accommodation for listeners wishing to examine the file's contents. We

³ See Review of the Commission's Rules Regarding the Main Studio and Local Public Inspection Files of Broadcast Television and Radio Stations, 13 FCC Rcd 15691 (1998), recongranted in part, 14 FCC Rcd 11113(1999)("Reconsideration Order").

⁴ Id

⁵ *Id*

⁶ See Reconsideration Order, 14 FCC Rcd at 11129, Paragraph 45.

further remind Keweenaw that, nothwithstanding the grant of the waiver requested here, the public file for WEGZ(FM) must contain the quarterly issues and programs list for Washburn, Wisconsin required by 47 C.F. R. Section 73.3527(e)(8).

Assignment application. We have examined the application and find that it comports with all statutory and regulatory requirements, that Keweenaw is qualified to operate WEGZ(FM) and that routine approval of the applications would further the public interest, convenience and necessity.

License application. Pursuant to Amendments of Parts 73 and 74 of the Commission's Rules to Permit Certain Minor Changes in Broadcast Facilities Without a Construction Permit, 12 FCC Rcd 12,371 (1997), Keweenaw may apply to convert the WEGZ(FM) commercial authorization to noncommercial educational FM status. It may do so by filing a license application and a demonstration that it is a qualified educational organization pursuant to 47 C.F.R. Section 73.503(a) and that the station will be used to advance Keweenaw's educational program. We will accept the instant showing. An examination of Keweenaw's proposal reveals the Keweenaw is qualified to operate WEGZ(FM) as a noncommercial educational facility and that grant thereof would serve the public interest, convenience, and necessity. We will therefore convert WEGZ(FM) to noncommercial educational FM status with the effective date of the grant being the date that Keweenaw notifies the Commission of the consummation of the acquisition of the station.

Actions. Accordingly, in light of the above discussion the application to assign WEGZ(FM) from DDS Communications, Ltd to Keweenaw Bay Broadcasting, Inc. (File No. BAL-20010504AAI), IS HEREBY GRANTED. Additionally, the application (File No. BMLH-2001230AAE), to convert the WEGZ(FM) license from commercial to noncommercial educational status, as well as the concomitant request for waiver of 47 C.F.R. Section 73.1125, ARE GRANTED. The effective date of the latter two actions will be the date on which the Commission is notified that Keweenaw Bay Broadcasting, Inc. has consummated its acquisition of the station. The authorization to operate the station as a noncommercial educational facility will be sent at that time. In order to facilitate the transmission of the authorization, Keweenaw Bay Broadcasting, Inc. and counsel are requested to send a copy of the consummation notification to both Andree Ellis, Room 2-A165, and Druscilla Smalls, Room 2-A140, at the Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.

Sincerely,

Audio Services Division

Mass Media Bureau

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⁷ See 47 C.F.R. §73.1690(c)(9).

⁸ See 47 C.F.R. § 1.102.

⁹ See 47 C.F.R. § 1.102(b)(1).