## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D. C. 20554

MAY 3 0 2002

IN REPLY REFER 1800B3-ALM

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In re: MX Group 980117

NEW(Ed. FM), Park City, MT Colorado Christian University Facility ID No. 91510 File No. BPED-19980825MF

NEW(Ed. FM), Billings, MT Western Inspirational Broadcasters, Inc. Facility ID No. 89849 File No. BPED-199801226MD

NEW(Ed. FM), Billings, MT American Family Association Facility ID No. 89078 File No. BPED-19971113ME

NEW(Ed. FM), Billings, MT Broadcasting For The Challenged, Inc. Facility ID No. 91499 File No. BPED-19980824MC

NEW(Ed. FM), Billings, MT Broadcasting For The Challenged, Inc. Facility ID No. 91496 File No. BPED-19980824MD

NEW(ED. FM), Billings, MT Broadcasting For The Challenged, Inc. Facility ID No. 91493 File No. BPED-19980824MG

## Dear Counsel and Applicant:

Currently before the Commission are: (1) the captioned mutually exclusive applications for noncommercial educational FM stations in Park City and Billings, Montana filed by Colorado Christian University ("CCU"), Western Inspirational Broadcasters, Inc. ("Western"), American Family Association ("AFA"), and Broadcasting For The Challenged, Inc. ("BFTC"); (2) a July 19, 2001 Joint Petition For Approval of Settlement Agreements ("Joint Petition") submitted by the applicants; and (3) requests by Western and AFA for waivers of the Commission's main studio rule, 47 C.F.R. § 73.1125, to permit them to operate their proposed Billings, Montana stations as satellite stations of their commonly owned noncommercial educational FM stations, KNIS(FM) and WAFR(FM), respectively.

The Joint Petition: Pursuant to the terms of the Joint Request, the applications of CCU, Western, AFA and BFTC's application File No. BPED-19980824MC will be granted. In consideration, Western will transfer its FM translator station, K296EM, Billings, Montana to EMF; EMF will transfer its FM translator station, K202AS, Laramie, Wyoming to Western; CCU and AFA agree to effect settlements in other mutually exclusive groups; CCU shall pay BFTC \$12,500.00, each, in exchange for the dismissal of its Billings applications, BPED-19980824MD and BPED-19980824MG; and CCU will amend its Park City application to reduce power. We have examined the Joint Request and the attached declarations. Based on this examination, we find that approval of the Joint Petition would serve the public interest and that the applications were not filed for the purpose of reaching or carrying out the agreement. Accordingly, the applicants have complied with the provisions of 47 U.S.C. § 311(c)(3) and 47 C.F.R. § 73.3525. Furthermore, approval of the Joint Petition would serve the public interest by providing Park City, Montana its first noncommercial educational FM radio station and additional educational FM service to Billings, Montana.

Lastly, since pursuant to the Joint Petition, facilities will be provided for both Park City and Billings, Montana, no Section 307(b) questions have been presented and no publication is required under 47 C.F.R. § 73.3525(b).

Main Studio Waiver Requests: Western requests a waiver of the Commission's main studio requirement, see 47 C.F.R. § 73.1125, in order to operate the proposed Billings facility as a satellite of commonly-owned noncommercial educational ("NCE") station KNIS(FM), Carson City, Nevada¹ and on May 13, 2002, AFA amended its application to request a similar waiver in order to operate its proposed Billings facility as a satellite of noncommercial, educational FM station WAFR(FM), Tupelo, Mississippi.² For the reasons set forth below, we will waive 47 C.F.R § 73.1125 and grant the Western and AFA requests for waiver and applications for construction permits.

Pursuant to section 73.1125(a), a main studio must be located either (1) within a station's principal community contour, (2) within the contour of any other broadcast station licensed to its community, or (3) within 25 miles of the center of its community. See Report and Order, Review of the Commission's Rules regarding the main studio and local public inspection files of broadcast television and radio stations, 13 FCC Rcd 15,691 (1998); recon. granted in part, 14 FCC Rcd 11113 (1999)("Reconsideration Order"). 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 seeking 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. Id. A satellite station must, however, demonstrate that it will meet its local service obligation to satisfy the Section 73.1125 "public interest" standard. Id.

The Western and AFA requests are based on the economies of scale that would be realized by grant of its waiver. We agree and conclude that there is "good cause" to waive 47 C.F.R. § 73.1125(a) in these circumstances.

Western proposes to operate its proposed Billings station as a satellite of KNIS(FM), Carson City, Nevada, approximately 700 miles from Billings and AFA proposes to its station as a satellite of WAFR(FM), Tupelo, Mississippi, approximately 1,200 miles from Billings. Where there is a great distance between the parent and satellite stations, as here, we are particularly concerned that the licensee take adequate measures to maintain its awareness of the satellite community's needs and interests. To that end, Western has

<sup>&</sup>lt;sup>1</sup> An amendment to Western's waiver request was submitted on March 25, 2002.

<sup>&</sup>lt;sup>2</sup> 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).

pledged to: (1) maintain an auxiliary studio within the Billings station's city grade contour capable of originating local programming responsive to the needs of Billings; (2) engage the services of a local Billings public affairs representative who will conduct quarterly ascertainment surveys of local community leaders and residents to determine the concerns, problems, and needs of Billings listeners and serve as a liaison between the residents of Billings and Western's programming personnel; (3) air programming in Western's news and public affairs programming responsive to the information obtained in the quarterly ascertainment survey; and (4) to provide a toll-free telephone number between Billings, Montana and the KNIS(FM) main studio. AFA has pledged to: (1) add at least one resident of Billings to its Community Advisory Board who will provide recommendations on community needs and programming to AFA; (2) solicit listeners' opinions regarding community issues during semi-annual "Shareathon" pledge drive and track programming responses to the input received; (3) provide periodic local programming for Billings including coverage of significant local news, cultural events and public service announcements; and (4) maintain a toll-free telephone number between Billings, Montana and the WAFR(FM) main studio.

In these circumstances, we are persuaded that Western and AFA will meet their local service obligations and thus, that grant of the requested waiver is consistent with the public interest. We remind them, however, of the requirement that they maintain a public file for the Billings stations at the main studio of the "parent" stations, KNIS(FM), Carson City Nevada and WAFR(FM), Tupelo, Mississippi. They must also make reasonable accommodation for listeners wishing to examine the file's contents. See Reconsideration Order, 14 FCC Rcd 11113, 11129 at ¶45. We further remind Western and AFA that, notwithstanding the grant of the waiver requested here, the public files for the Billings stations must contain the quarterly issues and programs list for Billings, Montana required by 47 C.F.R. § 73.3527(e)(8).

Accordingly, the Joint Request For Approval of Settlement Agreements IS GRANTED; the applications of Broadcasting For The Challenged (BPED-19980824MD and BPED-19980824MG) ARE DISMISSED and the applications of Colorado Christian University (BPED-19980825MF), Western Inspirational Broadcasters, Inc. (BPED-19980126MD), American Family Association (BPED-19971113ME) and Broadcasting For The Challenged, Inc. (BPED-19980824MC) ARE HEREBY GRANTED. Lastly, the requests for waivers of 47 C.F.R. § 73.1125 filed by Western and AFA ARE GRANTED.

Sincerely,

H. J. H. Swanda Peter H. Doyle, Chief

Audio Division

Office of Broadcast License Policy

Media Bureau