FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D. C. 20554

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Todd M. Stansbury, Esq. Wiley. Rein and Fielding 1776 K Street, N. W. Washington, D. C. 20006

Jerrold Miller, Esq. Miller and Miller, P.C. P. O. Box 33003 Washington, D. C. 20033

Eric S. Kravetz, Esq. Law Offices of Eric Kravetz 3511 Porter Street, N. W. Washington, D. C. 20016

> In Re: NEW(FM), Brainerd, MN Minnesota Public Radio File No. BPED-19981113MC Facility ID No. 92068

> > NEW(FM), Brainerd, MN Rochester Community Radio File No. BPED-19990528MD Facility ID No. 93524

NEW(FM), Baxter, MN CSN International File No. BPED-19990602MG Facility ID No. 93593

Joint Request for Settlement Agreement MX Group 981105

Dear Counsel:

This is in reference to the above-captioned mutually exclusive construction permit applications for a new noncommercial FM station in Brainerd, Minnesota and Baxter, Minnesota and the Joint

Request for Approval of Settlement ("Joint Request") filed on May 11, 2001 by Minnesota Public Radio ("MPR"), Rochester Community Radio ("RCR") and CSN International ("CSN").

We have examined the Joint Request and the Settlement Agreements and declarations attached thereto. Based on this examination, we find that approval of the Joint Request would serve the public interest and that the RCR and CSN applications were not filed for the purpose of reaching or carrying out the Agreements. Accordingly, the applicants have complied with the provisions of 47 U.S.C. § 311(c)(3) and 47 C.F.R. § 73.3525.

Section 307(b). The Commission is charged with the responsibility "to provide a fair, efficient and equitable distribution of radio service...." 47 U.S.C. § 307(b). MPR and RCR are proposing Brainerd, Minnesota as their community of license. CSN is proposing Baxter, Minnesota as its community of license. Therefore, pursuant to 47 C.F.R. § 73.3525(b), a determination must be made to ensure that the grant of MPR's application and the dismissal of applications filed by RCR and CSN would not unduly impede Section 307(b) of the Communications Act, as amended.

No applicant in this proceeding proposes to deliver a first noncommercial educational aural service. MPR's proposal, however, would provide a second noncommercial educational aural service to 64,764 people. In addition, MPR's proposal would deliver a second service to more than 8,000 people than would either of the proposals set forth by RCR and CSN. Finally, the engineering statement indicates that MPR provides second service to at least 10% of its total coverage population, at least 2,000 people and at least 5,000 people more than both of the other applicants. In light of the above, the Joint Request would not unduly impede the objectives of 47 U.S.C. § 307(b) and republication is not required pursuant to 47 C.F.R. § 73.3525(b). Furthermore, we find that MPR is fully qualified and that a grant of the application would serve the public interest by expediting a new noncommercial FM service to Brainerd, Minnesota.

Main Studio Waiver Request. MPR has requested a waiver of the Commission's main studio requirement, see 47 C.F.R. § 73.1125, in order to operate the Brainerd station as a satellite of its commonly-owned NCE station KNOW-FM, Minneapolis, Minnesota. For the reasons set forth below, we will waive Section 73.1125 and grant MPR's application for a construction permit.

Section 73.1125(a) requires each broadcast station to maintain a main studio within the station's principal community contour to ensure that the station will serve the needs and interests of the residents of the community of license. Amendment of Sections 73.1125 and 73.1130, 3 FCC Rcd 5024, 5027 (1988). However, under Section 73.1125(b)(2), the Commission will waive this requirement 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 a satellite of another NCE station is considered on a case-by-case basis. The Commission has recognized the

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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 RR 2d 1554, 1562 (1964).

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.*

MPR's request is based on the economies of scale which would be realized by a 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. MPR proposes to operate the Brainerd station as a satellite of KNOW-FM, Minneapolis, Minnesota, approximately 114 miles from Brainerd, Minnesota. Where there is a great distance between parent and satellite stations, as here, we are particularly concerned that the licensee takes adequate measures to maintain its awareness of the satellite community's needs and interests. To that end, MPR has pledged to: (1) assign a reporter who will be responsible for the production and broadcast of program inserts of interest to the residents of Brainerd; (2) continue a meaningful contact with Brainerd citizens by subscribing to local and area publications and maintaining ongoing relationships with community residents and leaders, who would be contacted on a regular basis (at a minimum, at least once a year); (3) continue an existing relationship with the community of Brainerd by means of membership in the MPR organization, which solicits comments from its members in the Brainerd service area with reference to programming and station operations, thereby ensuring that member requests and recommendations are considered in making programming decisions affecting the Brainerd station; (4) maintain a World Wide Web site, which contains extensive descriptions of MPR's programming and provides a means for Brainerd residents to comment on station operations; (5) maintain a toll-free telephone number, which allows Brainerd residents to contact MPR management to express concerns about station programming and operations and (6) establish a Member Listener Services Department that currently consists of six full-time persons whom local residents may contact via a toll-free number to voice comments and concerns about programming.

Under these circumstances, we are persuaded that MPR will meet its local service obligations and thus, grant of the requested waiver is consistent with the public interest. We remind MPR, however, of the requirement that it maintain a public file for the Brainerd station at the main studio of the station at which its programming is originated, and that it must provide the accommodation to listeners or residents as required under the amended rules. See Review of the Commission's Rules Regarding the Main Studio and Local Public Inspection Files of Broadcast Television and Radio Stations, 14 FCC Red 11113, 11129, ¶45 (1999). Thus, in the instant case, MPR must maintain the public file at the main studio of parent station KNOW-FM.

Accordingly, pursuant to 47 C.F.R. § 0.283, the Joint Request for Approval of Settlement and MPR's request for waiver of 47 C.F.R. § 73.1125 ARE GRANTED. The applications filed by Rochester

Community Radio (File No. BPED-19990528MD) and CSN International (File No. BPED-19990602MG) ARE HEREBY DISMISSED and the application filed by Minnesota Public Radio (File No. BPED-19981113MC) IS HEREBY GRANTED. The construction permit authorization will follow under separate cover.

Sincerely,

Peter H. Doyle, Chief Audio Services Division

Mass Media Bureau