

the language in the statute. How should this language influence our definition of "market?" Can we conclude that only television broadcast stations that provide a good quality digital signal to the MVPD headend or local receive facility are contemplated by this language? If we interpret section 309(j)(14)(B)(iii)(I) as requiring carriage of only those digital stations in the market entitled to must-carry, the availability of extensions under this provision will be more limited, and the market is likely to transition to digital more quickly. On the other hand, if we interpret section 309(j)(14)(B)(iii)(I) as requiring that all stations broadcasting digital signals be carried regardless of the station's must-carry rights and signal delivery capability, this prong may be satisfied less often. Moreover, a station could refuse to grant retransmission consent, and prevent carriage, which would in turn prevent the MVPD from counting towards the market transition. As a result, the analog licenses would be extended in every market in which the 15 percent criteria is not met by households possessing over-the-air digital or down-conversion equipment. Is this the result that Congress intended or that is compelled by the language in the statute?

44. We also invite comment on whether, under section 309(j)(14)(B)(iii), MVPDs must carry only primary, full power television stations in the market, or also Class A LPTV stations or other secondary non-Class A LPTV stations and TV translators. If section 309(j)(14)(B)(iii) is read to require carriage of all of these facilities in the market, and "market" is defined as DMA, then this prong of the transition criteria will be satisfied less often. If the market is defined as the station's Grade B contour or service area, then it may be more likely that cable systems within the station's Grade B area would carry that station (e.g., the signal quality issue is less likely to arise). How does this result influence our decision on the proper definition of market?"

45. Under the second part of the 15 percent test, an extension should be granted if 15 percent or more of the television households in the market do not have either "(a) at least one television receiver capable of receiving the digital television service signals of the television stations licensed in such market; or (b) at least one television receiver of analog television service signals equipped with digital-to-analog converter technology capable of receiving the digital television service signals of the television stations licensed in such market."

46. We invite comment on how we should interpret the phrase "capable of receiving the digital television service signals of the television stations licensed in such market." Does this phrase require that a household be capable of over-the-air reception of all television stations licensed in the market in order not to be counted toward the 15 percent threshold for an extension? Under this interpretation, any household outside the service contour of any digital station in the market would be counted toward the 15 percent threshold under these provisions (recognizing that such households could be excluded from counting toward the 15 percent under section 309(j)(14)(B)(iii)(I) if they are MVPD subscribers as defined in that provision). What if a household receives a parent station's signal rebroadcast in analog format via TV translator (e.g., the parent station originally broadcast the signal in digital format and the signal was downconverted to analog format by a TV translator)? We note that § 74.701 of the Commission's rules requires that TV translators retransmit the signals of the parent station "without significantly altering any characteristic of the original signal other than its frequency and amplitude." Should our rules permit TV translators to downconvert to analog format a signal originally broadcast by the parent station in digital format? As a separate issue, we propose to define television receivers "capable of receiving" DTV signals under section 309(j)(14)(B)(iii)(II)(a) as television sets equipped with either integrated or separate (e.g., set-top box) DTV tuners, and request comment on this definition.

47. For purposes of calculating households in the market to determine whether the 15 percent test is met under both prongs of section 309(j)(14)(iii), we propose to interpret that provision as requiring grant of an extension where 15 percent or more of the television households in the market neither subscribe to an MVPD that carries local DTV signals (section 309(j)(14)(B)(iii)(I)), nor have equipment capable of displaying signals originated in DTV (section 309(j)(14)(B)(iii)(II)). In other words, for a household to be counted in the 15 percent, that household must both be a non-subscriber ("non-subscriber" may include subscribers to MVPDs that carry the required DTV stations but who lack equipment to view such signals in either analog or digital format) and lack the capability to receive DTV signals over-the-air, either through a set with an integrated DTV tuner, via a DTV set-top box, or via a digital-to-analog

downconverter. We believe that this interpretation best reflects the intent of Congress that "a significant number of consumers in any given market are not left without broadcast television service" as we transition from analog to digital. Accordingly, we propose to grant extensions under section 309(j)(14)(B)(iii) only where the requisite number of television households (15 percent or more) in the market are not capable of receiving digital signals either over the air or via an MVPD. We request comment on this view.

Fact Finding Under Section 309(j)(14)(B)

48. We request comment on the extent to which the Commission is required to conduct consumer surveys or otherwise obtain information to determine whether an extension is required under section 309(j)(14)(B). In addition, we invite comment on the nature of any survey that must be performed, the type of questions that should be included, and the percent of the television households in the market that must be included in the sample. Is it necessary to survey each market separately, or would a more wide-spread survey suffice to establish that a market meets one or more of the criteria for grant of an extension request? If the first survey conducted demonstrates that an extension is warranted, when should a new survey be performed to see if there has been further transition progress in the market?

DTV Labeling Requirements and Consumer Awareness

49. As part of our commitment to continue monitoring the marketplace, we seek further comment on whether manufacturers are producing or plan to produce digital television receivers that can receive digital format transmissions via cable or satellite but that cannot receive digital broadcast signals over the air. We also seek information on the number of "pure monitors" (without any tuner) intended for use in display of signals from video service providers that are currently produced or planned for production. Do equipment manufacturers plan to label such equipment to describe the reception limitations or need for additional receiving equipment? What is the potential for consumer confusion in connection with these devices? Should we require labeling on pure monitors that can be used to display video services, which neither receive off-air signals, nor are designed to be "digital cable ready," to advise consumers that the monitor cannot function to receive programming unless it is attached to an