TELEVISION BAND REPACKING AND EFFECTS ON PUBLIC RADIO STATIONS

Q. Is there funding available to help public radio stations with any repacking-related expenses?

A. Yes; this is a change since the FCC’s original guidance. Initially, the FCC said there would be no cost reimbursement for radio stations unless it was stipulated in contracts and that television stations would be eligible for reimbursement provided they submitted detailed construction plans and cost estimates to the FCC.

However, in March 2018, Congress added $1 billion over two years to reimburse broadcasters involuntarily impacted by the TV repack and, for the first time, authorized reimbursement for affected FM radio stations, LPTV stations and translators. Congress designated $50 million in FY 2018 funds for radio stations. (Of the remaining FY 2018 funds, $350 million is for TV stations; $150 million for LPTV stations and translators; and $50 million for consumer education.) Additional FY 2019 funds might be available for affected radio stations.

Congress directed the FCC to reimburse “costs reasonably incurred” by an FM broadcast station for facilities necessary “to reasonably minimize disruption of service” as a result of the TV repack. Congress prohibited reimbursement for “lost revenues” and prohibited duplicative payments if radio stations have received payment for interim facilities from another source.

The FCC recently proposed rules for reimbursing radio stations affected by the TV spectrum repack and new channel assignments. The FCC proposed different levels of reimbursement for different categories of FM stations, along with a number of rules for eligible costs. The FCC must finalize this rulemaking to implement a reimbursement process for FM stations and other newly eligible entities by March 23, 2019.

Information about the expanded incentive-auction reimbursements is on the FCC web site at: www.fcc.gov/document/fcc-proposes-rules-expanded-incentive-auction-reimbursements-0

The FCC has published a Catalog of Potential Expenses and Estimated Costs for Low Power Television Stations, FM Stations and FM and TV Translators for stations affected by the TV repack process. Access it online here.

Q. What is TV band repacking?

A. The FCC formally completed a spectrum incentive auction on April 13, 2017 to repurpose existing television broadcast spectrum for other non-broadcasting wireless uses. The auction encouraged television licensees to bid on surrendering their licenses, moving from UHF to a VHF channel, or sharing a channel with stations in exchange for cash. The goal was to free a large, contiguous spectrum space for wireless carriers at the top of the band while condensing remaining television broadcasters into a smaller band at the lower end of the spectrum.

The first phase of the auction began on March 28, 2016 and ended on February 10, 2017 with bids totaling $19.8 billion for 70 megahertz of spectrum. The second phase of the auction - for the assignment of frequencies within the spectrum - ended on March 30, 2017. This phase added another $136 million in bids to bring the final auction take to about $19.8 billion.

On April 13, 2017, the FCC announced new channel assignments for 957 TV stations, the first step in a 39-month process to repack, or relocate, station channels to clear airwaves for new non-broadcasting wireless use. These changes could mean broadcast service disruptions for those television stations as well as for radio stations that may be near or share space on a transmission tower. The first group of
stations to move channels is scheduled for November 30, 2018. The FCC has provided online information about the broadcast incentive auction and post-auction transition on its web site at: https://www.fcc.gov/about-fcc/fcc-initiatives/incentive-auctions.

Q. Does the TV band repacking affect public radio stations?
A. There was no reallocation or reuse of radio’s broadcasting spectrum involved in this auction. However, television spectrum repacking could affect stations because of the location of the public radio stations’ transmitter antennas. Public radio stations could be affected even if they are not dual licensees (TV and radio) because they might be located near or share a tower owned by a television licensee involved in the repacking.

Q. How many public radio stations are affected?
A. We are collecting information to determine the number of stations affected as the TV repack process unfolds. One study by a CPB contractor, Meintel, Sgrignoli & Wallace LLC in March, 2017, found that 304 CPB-eligible radio stations are within 250 meters of a full-power or Class A television station that may be repacked. Of those, 191 CPB-eligible public radio stations are on the same tower as a full-power or Class A television station; 53 of these radio stations share a tower with a TV station operating on channels 38-51 (cleared spectrum) and are most likely impacted as these TV stations are repacked to new channels or go off the air. The Mintel study is on CPB’s web site located at https://www.cpb.org/files/reports/CPB_REPORT_POST_AUCTION_IMPACT_RADIO.pdf.

Q. How could public radio stations be affected?
A. Stations could be affected in a few different ways if their transmitter antennas are located on or near a transmission tower for a repacked TV station: The most dramatic would be a requirement to vacate their towers, relocate their antennas to a different level of their current towers, temporarily dismantle equipment, or make other equipment changes to permit work on a TV antenna or tower, or to accommodate new TV transmission equipment. Stations could also be required to temporarily reduce power or go off air to protect workers and accommodate antenna or tower modifications. These stations might want to build new auxiliary facilities or modify existing auxiliary facilities to permit continued broadcasting while their primary facilities are off-air. Other possible actions could be the need to relocate and/or redirect public radio station antennas.

If the tower changes hands in the TV repack process, the potential effect on stations could be compared to a tenant renting an apartment in a building that is sold. A tenant may remain without any changes to rent and services; rent may increase and services might change; the new owner might decide to convert the rental apartments to condos; the new owner might decide to raze the building or make a major renovation, which could displace tenants permanently or temporarily.

In every case, potential changes to radio stations are specific to each station and the relationship its broadcasting operations have with the tower operators and with the television stations that are altering their broadcast activities.

The PRSS is closely monitoring this situation and will be prepared to offer further guidance as the totality of this situation becomes clearer.

Q. Can you provide more specifics about direct and indirect impacts on public radio stations?
A. Different radio stations likely may be affected in different ways; some examples include:

Temporary interruptions:
- Stations on shared towers may need to reduce power during rigging operations because of work done on TV equipment.
• Stations may face temporary removal of the FM antenna to accommodate construction or installation of a new DTV antenna on the tower.
• Electrical upgrades may be required on towers, which could affect power to the FM transmitters on towers shared with TV stations.
• Station transmission lines may need to be relocated to accommodate new structural loads on the tower or changes in routing.
• The height or location of the station FM antenna may need to change to accommodate changes on the tower.
• TV station licensees auctioning spectrum may sell the station, decommission equipment and remove equipment from the tower, affecting radio transmissions.
• Some TV stations may build temporary facilities to accommodate construction of their DTV facilities in order to meet the FCC’s timeline, and require temporary locations on the tower affecting radio stations’ transmissions.
• Some changes on a tower may not happen at the same time meaning that radio stations could be affected more than once.

Permanent changes:
• DTV changes may change the tower structural load, forcing FM antennas off the current tower and to a new tower.
• Structural changes may mean some towers need to be replaced, meaning public radio stations will need a new transmitter location.
• Some TV licensees may give up their TV station in the auction, decommission and remove their equipment, and sell the tower.
• New DTV equipment may require FM stations to relocate their antennas to a different level of their current towers or to make other permanent equipment changes.

Q. What is the timeline for the TV repack process?
A. The first phase of the spectrum auction ended on February 10, 2017. The second phase of auction - for the assignment of frequencies within the spectrum - ended on March 30, 2017. On April 13, 2017, the FCC formally ended the auction and announced new channel assignments for 957 stations. This is the first step in a 39-month process to repack, or relocate, station channels to clear new wireless airwaves for use. The FCC has posted more information about the transition schedule here.

Q. Can you point to additional information?
A. CPB commissioned a study, A Report to the Corporation for Public Broadcasting Regarding Potential Impacts to Public Radio Transmission Facilities from TV Band Repacking by Meintel, Sgrignoli & Wallace LLC, a consulting firm engaged by CPB. CPB asked MSW to study the possible impact of the TV-band repacking to public radio station transmitter facilities. The document – on CPB’s web site at https://www.cpb.org/files/reports/CPB_REPORT_POST_AUCTION_IMPACT_RADIO.pdf – includes lists of stations that may be affected. CPB provides additional details, with videos, at http://www.cpb.org/spectrum. CPB also issued a white paper, which is posted at http://www.cpb.org/sites/default/files/atoms/files/CPB-White-Paper-on-Spectrum-Auction-and-Repacking-Process.pdf
The FCC provides additional details, including updates on the auction at: https://www.fcc.gov/about-fcc/fcc-initiatives/incentive-auctions

Q. How much money was raised by the spectrum auction?
A. According to the FCC, the auction yielded about $19.8 billion.

Q. Will public radio stations receive any funds from the spectrum auction?
A. No funds from the auction of television broadcasting spectrum will be received by radio stations.

Public television stations – like public radio stations – are licensed to entities such as universities and community organizations. In some cases, the license holder of a public television station also holds the license to a public radio station. For example, of the 264 NPR Member organizations that are licensees of public radio stations, 74 are joint licensees. These license holders, not the stations, participated in the auction. The license holder, not the station, will reap the financial returns from the auction.

In aggregate, the auction proceeds are significant. However, these financial returns do not belong to the public television stations whose spectrum was auctioned, or in the case of joint licensees, to the public radio stations affiliated with those licensees. The proceeds belong to the licensees only. Each licensee determines how best to use those financial returns. In some cases a licensee may choose to reinvest in the stations they license. Others may choose to invest the resources elsewhere.

Related Information

PRSS:  

CPB:  
Overall information about the spectrum auction: https://www.cpb.org/spectrum

FCC:  
Information about the broadcast incentive auction and post-auction transition is on the FCC web site at: https://www.fcc.gov/about-fcc/fcc-initiatives/incentive-auctions

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Updated: December 3, 2018