

**REQUEST FOR CONTINUED
SATELLITE STATUS FOR KSTF(TV) (SUPPLEMENT)**

As reflected in Annex A to Exhibit 14, television station KSTF at Scottsbluff, Nebraska, has long operated as a satellite of parent station KGWN-TV at Cheyenne, Wyoming. While it maintains a main studio with a small staff, KSTF rebroadcasts the CBS and other programming of KGWN-TV, with limited exceptions.¹ Largely rebroadcasting the programming of KGWN-TV (Cheyenne), KSTF is classified by Nielsen Media Research (“Nielsen”) as part of the Cheyenne-Scottsbluff Designated Market Area (“DMA”). As noted in Annex A, this is one of the nation’s least-populated television markets, and it has declined still further in recent years—from its 193rd DMA rank (1995 Nielsen Circulation) to its current 197th DMA rank (2001 Nielsen circulation).

The other area television station, KDUH-TV, Scottsbluff, Nebraska, also largely rebroadcasts the programming of a station in a larger community. KDUH-TV operates as part of a four-station group owned by Duhamel Broadcasting Enterprises (“Duhamel”), a group which also includes flagship station KOTA-TV at Rapid City, South Dakota, as well as KHSD-TV at Lead, South Dakota, and KSGW-TV at Sheridan, Wyoming. Nielsen attributes the viewership of the four Duhamel television stations, all of which largely rebroadcast the programming of KOTA-TV (Rapid City), to the Rapid City (South Dakota) DMA, the 175th ranked television market.² As Duhamel recently noted in its request for additional time to construct digital facilities of KDUH-TV, the company operates the four stations in order to serve the

¹ Operating in combination with KGWN-TV, KSTF currently also is able to provide local newscasts at 10 p.m. each day as well as at 5:30 p.m. on weekdays.

² See KDUH-TV FCC Form 337 (Application for Extension of Time to Construct a Digital Television Broadcast Station), BEPCDT-20020301AHW, Exhibit A.

geographically large (although not densely populated) Rapid City DMA, with KOTA-TV originating the bulk of the group's programming.³ Duhamel explained, for example, that

The KOTA-TV signal is distributed throughout the remainder of the area by three satellite TV stations. KDUH-TV, Scottsbluff, Nebraska, serves the Nebraska Panhandle and southeastern Wyoming including the island within the Rapid City DMA which is assigned to the Cheyenne, Wyoming DMA KHSD-TV, Lead, South Dakota, provides coverage of western South Dakota, southwestern North Dakota, southeastern Montana and extreme northeastern Wyoming. KSGW-TV, Sheridan, Wyoming, is the only television station on-air broadcasting from Sheridan, Wyoming, and provides that area with its only over-the-air major network signal.⁴

Like KSTF, Duhamel's KDUH-TV maintains a main studio and supplies a limited amount of local program inserts but depends on another co-owned station located in a larger community for the bulk of its broadcast service.⁵

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As shown in Annex A, KSTF, even after implementing substantial cost-cutting measures, remains unable (as in the past) to generate sufficient revenues to support its operations.⁶ KSTF's ability to operate at a loss and still provide CBS and other programming to the rural area it is licensed to serve continues to depend on its co-ownership and operation with KGWN-TV.⁷ KSTF's continuing satellite status is especially necessary going forward in view of

³ *Id.*, Exhibit A, 1.

⁴ *Id.* Duhamel further notes that it accomplishes "operat[ing] as a network to distribute the KOTA-TV signal throughout the Rapid City viewing area" by utilizing "the facilities of some 1,140 miles of microwave path." *Id.*, Exhibit A, 2.

⁵ *Id.*

⁶ *See* Exhibit 14, Annex A, Appendix C (Declaration of K. James Yager).

⁷ As also noted in Annex A, despite serious sales efforts, the existing licensee has not received any offers for the purchase of KSTF as a full-service, stand-alone facility. *Id.*

the demands—particularly great on stations like KSTF (and KDUH-TV)—to carry out the difficult and expensive DTV transition.⁸

⁸ *Id. See, e.g.,* David Lieberman, *Small TV Stations Reel Under Order to go Digital; Transition Mandated by FCC Expensive*, USA TODAY (July 17, 2002) (noting, for example, that many owners of stations in small markets, especially those needing repeater stations to cover rural areas, see the digital transition “as a threat to their survival” and that “[t]hey find it next to impossible to amass the needed dollars in the midst of the worst ad recession in decades”).