

EXHIBIT 18

Request for Continued Satellite Authority

SP ComCorp LLC (the “Transferee”) hereby requests continued waiver of the Commission’s local television ownership rules to permit the Transferee to continue operation of KYLE(TV), Bryan, Texas (the “Station”) as a satellite of KWKT(TV), Waco, Texas pursuant to Note 5 of Section 73.3555 of the Commission’s rules.¹ The Commission first authorized operation of KYLE(TV) as a satellite of KWKT(TV) in 1996, and most recently determined in 2004 that continued operation of the Station as a satellite would serve the public interest.² The circumstances justifying operation of KYLE(TV) as a satellite have not changed since that time. As such, Transferee respectfully requests that the Commission allow KYLE(TV) to continue to operate as a satellite of KWKT(TV).

Pursuant to the Commission’s satellite waiver policy, a proposed satellite operation is presumed to be in the public interest if it meets three requirements: (1) no City Grade contour overlap exists between the parent and the satellite; (2) the proposed satellite station will provide service to an underserved area; and (3) no alternative operator is ready and able to purchase and operate the satellite as a full-service station.³ Alternatively, if an applicant cannot qualify under this presumptive waiver test, the Commission may employ an *ad hoc* approach to determine whether other compelling circumstances warrant grant of satellite status.⁴ For the reasons set forth below, KYLE(TV) qualifies for continuing satellite status under the presumptive waiver

¹ See 47 C.F.R. § 73.3555, Note 5 (2003).

² *Letter to Communications Corp. of America*, April 19, 2004 (“2004 Satellite Waiver”); *Silent Minority Group, Inc.*, 11 FCC Rcd 15011 (1996) (“1996 Satellite Waiver”).

³ See 47 C.F.R. § 73.3555, Note 5; *Satellite Order*, 6 FCC Rcd 4212, 4213-14 (1991) (“*Satellite Order*”) (subsequent history omitted).

⁴ *Id.*

test. Thus, the Commission may authorize continuation of satellite status for KYLE(TV) without the need to consider other compelling circumstances that also warrant grant.⁵

First, the City Grade contours of KYLE(TV) and KWKT-TV do not overlap.⁶ Second, KYLE(TV) also provides service to underserved areas. Under the “transmission test,” a proposed satellite community of license is considered “underserved” if two or fewer television stations (including commercial, noncommercial, and satellite stations) are already licensed to it.⁷ Only one other full-service television station is licensed to Bryan, Texas (KBTX-TV), and that full-service station is itself operated as a satellite of KWTX-TV, the CBS Network affiliate in Waco, Texas.⁸ Therefore, KYLE(TV) provides service to an underserved area.

With regard to the third prong of the presumptive satellite waiver test, the Commission has twice recognized that the economic realities of the market make it unlikely that any alternative operator would be willing or able to operate KYLE(TV) or KBTX-TV as a stand-alone full-service station.⁹ The original permittee of KYLE(TV), Silent Minority Group, Inc., began operating the station as a stand-alone television station but quickly determined that it was financially unable to continue such operations.¹⁰ The permittee attempted the sell the television station on a stand-alone basis. After it conducted considerable discussions with prospective

⁵ Should the Commission determine for some reasons that the presumptive waiver test is not satisfied in this case, Transferee requests that the Commission evaluate this waiver request under the *ad hoc* approach.

⁶ 2004 Satellite Waiver at 2, 1996 Satellite Waiver at ¶ 3. The facilities of KYLE(TV) and KWKT(TV) have not changed since the grant of the 2004 Satellite Waiver.

⁷ *Satellite Order*, 6 FCC Rcd 4212, ¶19.

⁸ See 2004 Satellite Waiver at 2 (identifying KBTX-TV as a satellite of KWTX-TV, Waco); see also *Broadcasting & Cable Yearbook 2007* at B-210.

⁹ 2004 Satellite Waiver at 2; 1996 Satellite Waiver at ¶¶ 4-5.

¹⁰ 1996 Satellite Waiver at ¶ 4.

buyers, it received offers only from other licensees in the market.¹¹ In 2004, the Commission recognized that the factors making it impossible to sell or operate KYLE(TV) as a stand-alone station remained persuasive.¹² These factors have not changed in the intervening three years and continue to make operation of KYLE(TV) as a full-service station impracticable.

First, due to the large geographic expanse of the Waco-Temple-Bryan DMA, KYLE(TV) provides a viewable over-the-air signal to less than half of the geographic area of the market, and the Station's Grade B contour does not reach the two most populous counties in the market. The community of Bryan is very small relative to the size of the entire market, with all of Brazos County accounting for less than twenty percent of the market's television households. Any potential owner of KYLE(TV) as a full-service television station also would have a difficult time obtaining a network affiliation. Affiliates of all four major networks currently operate in the market. Full power television stations licensed to Waco also hold the market's affiliations for MyNetworkTV, the CW, and Telemundo on their digital multicast channels.¹³ Finally, KYLE(TV) might face significant competition from television stations licensed to the Houston, Texas DMA, the tenth largest television market, which is immediately adjacent to Brazos County.

For these reasons, the Commission in the 2004 Satellite Waiver found that KYLE(TV) would be unlikely to survive as a full-service television station and that continued operation of KYLE(TV) as a satellite of KWKT(TV) would serve the public interest. These same "compelling circumstances," which have not materially changed since 2004, justify granting

¹¹ Id. at ¶¶ 4-5.

¹² 2004 Satellite Waiver at 2.

¹³ See "Waco-Temple-Bryan, TX Market Overview," BIA Financial Network, Investing in Television 2007 1st Edition (2007); *see also*, <http://www.kxxv.com>.

Transferees a waiver of the Commission's local ownership rules to continue to operate KYLE(TV) as a satellite of KWKT(TV).

KYLE(TV) has operated as a satellite station essentially since its inception, and it has served the needs of the residents of Bryan admirably in that form. The main studio for KWKT(TV) is accessible by U.S. highways and daily bus service and is reachable from Bryan by a toll-free telephone number. At or before consummation of the transactions contemplated by this application, the licensee also will ensure that a copy of the Station's public inspection file is available at a facility in Bryan that is generally accessible to the public during business hours. KYLE(TV) already maintains a local telephone number for Bryan, and it will continue to maintain this local number going forward. In addition, the licensee will mail copies of documents from the Station's public inspection file to residents of Bryan upon telephonic request. The licensee will ensure that its local and toll-free telephone numbers are listed in local directories in Bryan and will provide these telephone numbers on the website it maintains for KWKT(TV) (www.kwkt.com). This website will also provide information regarding the location of KYLE(TV)'s public inspection file and procedures by which local residents in Bryan may access documents in the file and obtain other information about the Station.

Granting a continued satellite waiver for KYLE(TV) would preserve the *status quo* as it has existed since shortly after the Station began operating. Furthermore, it would place KYLE(TV) on a level economic playing field with the other full-power television station licensed to Bryan, which is also operated as a satellite. Finally, it is unlikely that KYLE(TV) could survive if the Commission required it to operate as a full-service, stand-alone television station while its competitor continued to operate as a satellite.

Transferee has demonstrated that this request for continued satellite authority satisfies all three prongs of the Commission's presumptive waiver test and that grant of the instant waiver request would serve the public interest. Operating KYLE(TV) as a full-service independent station simply is not feasible given the Station's limited coverage area and extremely poor prospects for success except as a satellite station. Based upon the foregoing, Transferee respectfully requests a waiver of the local television ownership rules to permit the continued operation of KYLE(TV) as a satellite station of commonly-owned KWKT(TV).