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120. (2) The technical performance of the systems. The Hartford trial, Zenith and Teco state, established that the system could meet the technical requirements of the Third Report, namely: (a) The operation must not cause interference, either within or without the frequency employed, to any greater extent than is permissible under the present rules and standards of the Commission. (b) The operation must not cause perceptible degradation in the quality of video or audio signals on any receivers during either a subscription program or a non-subscription program.

121. In addition, it is related that the trial established that the Phonevision decoder (unscrambler) could be installed on all makes and models of TV sets if the sets were in good operating condition; that the system provides adequate protection against reception by non-subscribers; that it functions to permit an accurate allocation of per-program charges to the individual programs, the monthly billing reflecting not only the total amount due for programs but the amount for individual programs; that a credit system will work and is accepted by the public; and that Phonevision equipment will function satisfactorily with a minimum of service calls, home service calls having averaged 89¢ per subscriber per year.

122. Zenith and Teco mention that, as a result of the Hartford experience, a new model decoder is being production-engineered that will accommodate color as well as monochrome, that can be connected to the antenna terminals of the set instead of to the inside wiring, that simplifies the billing function of the new decoder so as to reduce cost and facilitate operations on the part of the subscriber, and that has circuitry changes designed to reduce cost and further improve reliability.

123. In connection with the foregoing statements, Motorola says that it has studied the Zenith and Telemeter proposals (presumably the descriptions of those systems submitted in response to the Further Notice) and that both vary widely from any system used in prior field tests. It is averred that the Hartford field test "involved a totally different concept and the field test results can have no meaningful bearing on the technical aspects of the proposed systems." A similar statement is made with regard to the system used by Telemeter in Canada (which was a cable system) and the proposal (for an over-the-air system) submitted by Telemeter in this proceeding. These statements are followed by a suggestion by Motorola that further field testing is therefore needed before STV can be authorized.

124. To this Zenith and Teco reply that the decoder used at Hartford operated in conjunction with certain parts of the subscribers's television set to unscramble the signal, whereas the new proposal uses the same unscrambling principle but does the unscrambling independently of the set, and sends the unscrambled signal directly to the antenna terminals of the subscriber's set.