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ADA states that such a system would provide a choice of all available programs and services whether paid or sponsored. All programs would be carried by the system. The producer of programs would be separate from the television station and cable carriers, and would pay them on a cost-plus-fair-return basis.

218. This is not a complete description of the views of ADA, but it serves to give the central theme of their comments--that although ADA favors STV, the Commission should withdraw its proposed rules and propose new rules under which free TV and STV stations would be separately licensed, with the latter being regulated by common carrier principles under direct FCC supervision of carrier rates and terms. It expresses the fear that to adopt STV rules along the lines of those proposed in the Further Notice might thwart the development of the foregoing type of system, contrary to the public interest.^{39/}

219. Conclusions. With regard to the ADA views, we admit that the future may well bring with it the sort of development which they describe, but it would appear to be years away. We do not believe that STV, which we think is in the public interest, should be required to await such a great passage of time, especially since there is nothing to lead to the conclusion that our action taken today would, as ADA fears, thwart the future. We see no reason to believe that STV, authorized as we propose, should impede the development of a "telephone dial" system any more than would the fact that retailing, banking, accounting, distribution of newspapers, and the like are presently cast in a mold that is highly different from that which ADA foresees. STV has already been postponed for a number of years and, with the information now before us, we believe that it should at last be given its chance to provide what lies within its power to the public. Should the situation envisaged by ADA occur, there will be time enough to switch to a common carrier type of regulation if that is then indicated.

220. It is stated that the nature of STV, like that of common carriers and public utilities, is such that rate regulation is necessary. Coupled with this are two additional arguments: That we must consider and decide whether we have such rate-regulatory authority before permitting STV operations; and that lacking clear-cut authority we should go to Congress for legislation amending the Act to give clear authority.

221. We cannot agree with these views. For reasons stated in the First Report, we have concluded that we have jurisdiction to authorize STV. Although we do not here decide whether we possess authority to regulate STV rates, we observe that the authority to authorize STV is not dependent on a concomitant one permitting such regulation. It is stated that television channels are in the public domain and that the STV operator will make a direct charge to the public for use of the public's property. Such a situation, we are told, requires rate regulation. The argument is without merit. Throughout this document we have used the term "free TV." However, "free TV" is not really free. The advertising costs which support free TV are eventually passed

^{39/} We also note here the suggestion of TVC of California, Inc. and Com-Sumers, Inc. that space satellites be used for STV. The suggestion is couched in the broadcast terms, contains no details, and is, in any event, outside the scope of this proceeding