

XIII. DESCRIPTION OF SUBSCRIPTION RULE PROPOSED BY ZENITH AND TECO.

For convenience, we are incorporating at the end of this section a copy of the rule which we have, in our petition, proposed that the Commission adopt for the purpose of permitting subscription television operations on an extended nationwide basis. This proposed rule incorporates the answers to the questions set forth immediately above. A further description of the specific rule provisions proposed is set forth hereafter.

Scope. The rule proposed by Zenith and Teco to permit subscription operations on an extended nationwide basis, would not, without more, automatically authorize all television stations to broadcast subscription programs. Rather, under the Zenith-Teco proposal, any television station desiring to broadcast subscription programs would have to first file with the Commission an application for subscription television authorization. The grant or denial of individual applications for subscription television authorization would be decided on a case-to-case basis in light of the public interest considerations which might be involved in the particular case. Zenith and Teco submit that such a case-to-case approach under a subscription television rule would provide flexibility which would better serve the ultimate public interest than would an approach whereby the Commission attempted by rule to restrict subscription operations to a particular type of station or to particular markets.

A brief description of the other specific provisions in the rule proposed is as follows:

(a) *Section 73.641.* This section contains definitions of the terms used throughout the proposed rules.

(b) *Section 73.642.* This section covers the filing of applications for subscription television authorizations and the procedures which will be followed by the Commission in determining whether such applications should be granted or denied.

(c) *Section 73.643.* This section sets forth certain licensing policies which will be applied by the Commission in granting subscription television authorizations. These policies are designed primarily for the purpose of making certain that the television station broadcasting subscription programs will retain ultimate control over its operations