

TABLE #2—Continued

Category	Revenue requirement	Divided by payment volume	Equals new fee
UHF TV (Mkt 1–10) .....	1,541,550	86	17,925
UHF TV (Mkt 11–25) .....	1,164,350	73	15,950
UHF TV (Mkt 26–50) .....	1,087,450	91	11,950
UHF TV (Mkt 51–100) .....	1,084,600	136	7,975
UHF TV (Remaining Mkts) .....	731,325	147	4,975
UHF TV (Construction Permit) .....	576,375	145	3,975
Auxiliaries .....	900,000	30,000	30
LPTV/FM & TV Translators & Boosters .....	1,210,400	7,120	170
Int'l Short Wave .....	4,750	19	250
TV Satellite (Any Mkt) <sup>55</sup> .....	68,200	110	620
TV Satellite (Construction Permit) <sup>56</sup> .....	1,125	5	225
Multipoint Distribution Service <sup>57</sup> .....			140
Total .....	21,000,000		

<sup>55</sup> The FY 1994 legislated fee schedule did not distinguish between full service television stations and satellite television stations. Although the Congress did not pass final legislation to assess satellite stations a reduced fee, the House of Representatives did pass legislation establishing a \$500 fee for satellite stations in FY 1994. While not legally binding, we used the \$500 fee proposed by the House as a "simulated" FY 1994 fee in order to calculate a FY 1995 fee for satellite stations.

<sup>56</sup> Unlike other fees proposed for FY 1995, the TV satellite station construction permit fee of \$225 was determined by taking the average fee for UHF & VHF television stations and relating it to the average UHF/VHF construction permit fee. Using these relationships for satellite television stations results in a computed fee of \$225 (rounded to the nearest \$5) for satellite television station construction permits.

<sup>57</sup> The fee for single-channel and multi-channel Multipoint Distribution Service (MDS & MMDS) was developed as part of the Domestic Public Fixed Radio Service, a common carrier service. The payment units are included in the total volume for the Domestic Public Fixed Radio Service included in Appendix C. Regulation of the MDS and MMDS services has been transferred to the Mass Media Bureau.

#### Appendix F—Development of Cable Services Regulatory Fees

Activity Cost Allocation: The Cable Services Activity was allocated 25.7% (361 FTEs) of the total 1,406 FTEs associated with all regulatory fee activities.<sup>58</sup> The same percentage (25.7%) was applied to total regulatory fee activity costs (\$116.4 million times 25.7%=\$29.9 million).

Revision of Payment Unit Volumes: Payment volume estimates (units of payment) were updated for FY 1995. See Table #3 below.

Projected Revenue Using FY 1994 Fee Amounts & Revised FY 1995 Payment

Volumes: Projected revenue for FY 1995 for Cable Services Activities using FY 1994 fee amounts was calculated by multiplying the FY 1995 payment volume in each fee category by the FY 1994 fee amounts. The resulting total revenue in these categories totaled approximately \$22.7 million. This is the amount of revenue we would collect in this category if we did not change any fee amounts from FY 1994.

Pro-Rata Application of FY 1995 Revenue Requirement: Because projected revenues using FY 1994 fee amounts would have resulted in collections of \$7.2 million less than required (\$22.7 million minus \$29.9

million), proposed Cable Services fees for FY 1995 needed to be adjusted upward by 32.0% (\$7.2 million divided by \$22.7 million = 32.0%)<sup>59</sup> so that revenue would better approximate the \$29.9 million cost allocation for this Activity. Table #3 below shows revenue requirements that were computed for each fee category within the Cable Services Activity.

Calculation of Fee: We divided each of the individual revenue requirements shown in the chart below by the FY 1995 projected payment volume to determine the new fee requirement for each fee category within the Cable Services Activity.

TABLE #3

Category	Revenue requirement	Divided by payment volume	Equals new fee
CARS .....	\$603,780	2,082	290
Cable Television Systems .....	29,400,000	60,000,000	.49
Total .....	29,900,000		

#### Appendix G—Development of Common Carrier Services Regulatory Fees

Activity Cost Allocation: The Common Carrier Activity was allocated 49.0% (689 FTEs) of the total 1,406 FTEs associated with all regulatory fee activities.<sup>60</sup> The same percentage (49.0%) was applied to total regulatory fee activity costs (\$116.4 million times 49.0% = \$57.0 million).

Revision of Payment Unit Volumes: Payment volume estimates (units of payment) were updated for FY 1995. See Table #4 below.

Projected Revenue Using FY 1994 Fee Amounts & Revised FY 1995 Payment Volumes: Projected revenue for FY 1995 for Common Carrier Activities using FY 1994 fee amounts was calculated by multiplying the FY 1995 payment volume in each fee category by the FY 1994 fee amounts. The resulting total revenue in these categories totaled approximately \$28.4 million. This is the amount of revenue we would collect in this category if we did not change any fee amounts from FY 1994.

Pro-Rata Application of FY 1995 Revenue Requirement: Because projected revenues

using FY 1994 fee amounts would have resulted in collections of \$28.6 million less than required (\$57.0 million minus \$28.4 million), Common Carrier fees for FY 1995 needed to be adjusted upward by 100.5% (\$28.6 million divided by \$28.4 million = 100.5%)<sup>61</sup> so that revenue would better approximate the \$57.0 million cost allocation for this Activity. Table #4 below shows revenue requirements that were computed for each fee category within the Common Carrier Activity.

Calculation of Fee: We divided each of the individual revenue requirements shown in

<sup>58</sup> Represents 15.9% of all FCC FTEs.

<sup>59</sup> Actual percentage is 31.9619879%.

<sup>60</sup> Represents 30.3% of all FCC FTEs.

<sup>61</sup> Actual percentage is 100.4512615%.