



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

10,536

INTERNATIONAL DIVISION

B-168178

JUN 20 1979

The Honorable Vic Fazio
House of Representatives

Dear Mr. Fazio:

On June 6, 1979, your office told us that you were interested in our summarizing for you the results of our inquiries concerning the Voice of America (VOA) decision to close the Dixon Relay Station, one of the two Voice of America relay stations in California. This subject has also been a matter of concern to Mr. Edward P. Berman, a technician and union shop steward at the Dixon Relay Station.

The issue results from the VOA choosing to provide satellite service to the Pacific rather than transmitting the signal via the Dixon and Delano Relay Stations. In 1977, a Technology Study Group composed of senior VOA officials decided to maintain the Delano station as a backup to the satellite service and place the Dixon station in a caretaker status. This change is to become effective on or about September 2, 1979. Mr. Berman suggested that if one relay station needed to be closed, it should be the Delano station, not Dixon.

Mr. Berman questions the wisdom of closing the Dixon station rather than the Delano station because historically operating costs have been lower at the Dixon station, primarily because of lower electric power costs. The VOA does not dispute the fact that the Dixon station is less expensive to operate because of power costs. VOA estimates that the operating cost savings by retaining the Dixon station rather than the Delano station would be about \$157,300 per year.

The VOA position is that the Delano station was selected to back up the satellite system primarily on what the VOA characterizes as a significantly superior antenna complement. The VOA informed us that the present Dixon station facilities could not support VOA's broadcast requirements and estimated that it would cost about \$1.7 million to bring the facilities up to acceptable standards. Mr. Berman questions the VOA estimated cost figure.

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VOA officials informed us that they plan to accommodate all personnel now employed at the two relay stations. The Delano and the Dixon stations both normally had 22 persons employed. The present plan calls for 22 employees at Delano and 2 at Dixon. The remaining employees who indicated that they would like to continue employment will be offered positions at other VOA locations.

Our preliminary inquiry indicated that a lengthy and expensive study would be needed for us to arrive at a conclusion as to which relay station has the superior antenna complement and to determine the necessary modification for bringing the Dixon Relay Station up to the preferred level of operation. To complete such a study we would need to hire consultants and, to a large extent, the conclusions reached would be subject to VOA's stated requirements and assumptions.

We plan no further action on this matter at this time.

Sincerely yours,

C. D. Highlander
J. K. Fasick
Director