



OMB APPROVAL
OMB Number: 3235-0145
Expires: February 28, 2009
Estimated average burden hours per response...11

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934  
(Amendment No. )**

**Gray Television, Inc.**

(Name of Issuer)

Common Stock, no par value  
(Title of Class of Securities)

389375106  
(CUSIP Number)

June 7, 2006  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

<b>1</b>	NAMES OF REPORTING PERSONS: Highland Capital Management, L.P., a Delaware limited partnership  I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 75-2716725		
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):  (a) <input type="radio"/> (b) <input type="radio"/>		
<b>3</b>	SEC USE ONLY:		
<b>4</b>	CITIZENSHIP OR PLACE OF ORGANIZATION:  Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	<b>5</b>	SOLE VOTING POWER: 4,014,622	
	<b>6</b>	SHARED VOTING POWER: 259,100	
	<b>7</b>	SOLE DISPOSITIVE POWER: 4,014,622	
	<b>8</b>	SHARED DISPOSITIVE POWER: 259,100	
<b>9</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 4,273,722		
<b>10</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): <input type="radio"/>		
<b>11</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9): 10.0%(1)		
<b>12</b>	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): PN, IA		

(1) Based on 42,526,604 shares of Common Stock outstanding based on the Issuer's Quarterly Report on Form 10-Q filed on November 8, 2006.

<b>1</b>	NAMES OF REPORTING PERSONS: Strand Advisors, Inc., a Delaware corporation  I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 95-4440863	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):  (a) <input type="radio"/> (b) <input type="radio"/>	
<b>3</b>	SEC USE ONLY:	
<b>4</b>	CITIZENSHIP OR PLACE OF ORGANIZATION:  Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	<b>5</b>	SOLE VOTING POWER: 4,014,622
	<b>6</b>	SHARED VOTING POWER: 259,100
	<b>7</b>	SOLE DISPOSITIVE POWER: 4,014,622
	<b>8</b>	SHARED DISPOSITIVE POWER: 259,100
<b>9</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 4,273,722	
<b>10</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): <input type="radio"/>	
<b>11</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9): 10.0%(1)	
<b>12</b>	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): CO	

(1) Based on 42,526,604 shares of Common Stock outstanding based on the Issuer's Quarterly Report on Form 10-Q filed on November 8, 2006.

<b>1</b>	NAMES OF REPORTING PERSONS: James Dondero  I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):		
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):  (a) <input type="radio"/> (b) <input type="radio"/>		
<b>3</b>	SEC USE ONLY:		
<b>4</b>	CITIZENSHIP OR PLACE OF ORGANIZATION:  United States of America		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	<b>5</b>	SOLE VOTING POWER: 4,014,622	
	<b>6</b>	SHARED VOTING POWER: 259,100	
	<b>7</b>	SOLE DISPOSITIVE POWER: 4,014,622	
	<b>8</b>	SHARED DISPOSITIVE POWER: 259,100	
<b>9</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 4,273,722		
<b>10</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): <input type="radio"/>		
<b>11</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9): 10.0%(1)		
<b>12</b>	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  IN		

(1) Based on 42,526,604 shares of Common Stock outstanding based on the Issuer's Quarterly Report on Form 10-Q filed on November 8, 2006.

<b>1</b>	NAMES OF REPORTING PERSONS: Highland Credit Strategies Fund, a Delaware trust  I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 20-4948762		
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):  (a) <input type="radio"/> (b) <input type="radio"/>		
<b>3</b>	SEC USE ONLY:		
<b>4</b>	CITIZENSHIP OR PLACE OF ORGANIZATION:  Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	<b>5</b>	SOLE VOTING POWER:  0	
	<b>6</b>	SHARED VOTING POWER:  259,100	
	<b>7</b>	SOLE DISPOSITIVE POWER:  0	
	<b>8</b>	SHARED DISPOSITIVE POWER:  259,100	
<b>9</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  259,100		
<b>10</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):  <input type="radio"/>		
<b>11</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9):  0.6%(1)		
<b>12</b>	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  OO		

(1) Based on 42,526,604 shares of Common Stock outstanding based on the Issuer's Quarterly Report on Form 10-Q filed on November 8, 2006.

**SCHEDULE 13G**

**Item 1(a) Name of Issuer:**

Gray Television, Inc.

**Item 1(b) Address of Issuer's Principal Executive Offices:**

4370 Peachtree Road, Atlanta, GA 30319

**Item 2(a) Names of Persons Filing:**

This statement is filed by and on behalf of: (i) Highland Credit Strategies Fund ("Credit Strategies Fund"); (ii) Highland Capital Management, L.P. ("Capital Management"); (iii) Strand Advisors, Inc. ("Strand"); and (iv) James D. Dondero.

Capital Management serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund. Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of other persons, including Credit Strategies Fund. Strand is the general partner of Capital Management. Strand may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Capital Management. Mr. Dondero is the President of Credit Strategies Fund and the President and a director of Strand. Mr. Dondero may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Strand.

Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, the beneficial owner of any securities covered by this statement.

Each of the reporting persons may, together with the other reporting persons, be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.

**Item 2(b) Addresses of Principal Business Offices:**

The address of the principal business office of each of the reporting persons is Two Galleria Tower, 13455 Noel Road, Suite 800, Dallas, Texas 75240.

**Item 2(c) Citizenship:**

See the disclosure provided in response to Item 4 on the attached cover page(s).

**Item 2(d) Title of Class of Securities:**

Common Stock, no par value

**Item 2(e) CUSIP Number:**

389375106

---

Item 3 Status of Persons Filing:

Not applicable.

Item 4 Ownership:

(a) Amount beneficially owned:

See Item 9 of each cover page for the respective reporting persons.

(b) Percent of Class:

See Item 11 of each cover page for the respective reporting persons.

(c) Number of shares as to which the person has:

(i) sole power to vote or to direct the vote:

See Item 5 of each cover page for the respective reporting persons.

(ii) shared power to vote or to direct the vote:

See Item 6 of each cover page for the respective reporting persons.

(iii) sole power to dispose or to direct the disposition of:

See Item 7 of each cover page for the respective reporting persons.

(iv) shared power to dispose or to direct the disposition of:

See Item 8 of each cover page for the respective reporting persons.

Item 5 Ownership of 5% or Less of a Class:

Not applicable.

Item 6 Ownership of More than 5% on Behalf of Another Person:

Capital Management serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund and Highland Crusader Offshore Partners, L.P. Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of other persons, including Credit Strategies Fund and Highland Crusader Offshore Partners, L.P. The other persons, including Credit Strategies Fund and Highland Crusader Offshore Partners, L.P., may have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, shares owned and/or held by and/or for the account and/or benefit of such persons.

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person:

Not applicable.

---



**Item 8 Identification and Classification of Members of the Group:**

Each of the reporting persons may, together with the other reporting persons, be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.

**Item 9 Notice of Dissolution of Group:**

Each of the reporting persons may, together with the other reporting persons, be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.

**Item 10 Certification:**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

---

**SIGNATURES**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

**Highland Credit Strategies Fund**

By: /s/ James Dondero \_\_\_\_\_  
Name: James Dondero  
Title: President for Highland Credit Strategies Fund

**Highland Capital Management, L.P.**

By: Strand Advisors, Inc., its general partner

By: /s/ James Dondero \_\_\_\_\_  
Name: James Dondero  
Title: President

**Strand Advisors, Inc.**

By: /s/ James Dondero \_\_\_\_\_  
Name: James Dondero  
Title: President

**James Dondero**

By: /s/ James Dondero \_\_\_\_\_  
Name: James Dondero

---

## EXHIBITS

Exhibit 24.1 Joint Filing Agreement and Power of Attorney, dated November 13, 2006.

**EXHIBIT 24.1**

**JOINT FILING AGREEMENT AND POWER OF ATTORNEY**

**November 13, 2006**

Pursuant to and in accordance with the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, each party hereto hereby agrees to the joint filing, on behalf of each of them, of any filing required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto) with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and further agrees to the filing, furnishing, and/or incorporation by reference of this Joint Filing Agreement and Power of Attorney as an exhibit thereto. This Joint Filing Agreement and Power of Attorney shall remain in full force and effect until revoked by any party hereto in a signed writing provided to each other party hereto, and then only with respect to such revoking party.

Know all men by these presents, that each party hereto hereby constitutes and appoints each of J. Kevin Ciavarra and Michael S. Mince, and each of them, as the true and lawful attorneys-in-fact and agents, or attorney-in-fact and agent, of such party with full power and authority and full power of substitution and resubstitution, for, in the name of, and on behalf of such party, place and stead, in any and all capacities, (i) to execute any and all filings required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto), for, in the name of, and on behalf of such party, (ii) to do and perform any and all acts for, in the name of, and on behalf of such party which said attorneys-in-fact, or any of them, determine may be necessary or appropriate to complete and execute any and all such filings, amendments, supplements, and/or exhibits, and any and all other document(s) in connection therewith, (iii) to file such filings, amendments, supplements, exhibits, and/or documents with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and (iv) to perform any and all other acts that said attorneys-in-fact or agents, or any of them, determine may be necessary or appropriate in connection with the foregoing that may be in the best interest of or legally required by such party, granting unto said attorneys-in-fact and agents, or any of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as such party might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof. Each party hereto hereby acknowledges that the foregoing attorneys-in-fact and agents, or any of them, in serving in such capacity at the request of such undersigned party, are not assuming any of the responsibilities of the undersigned to comply with Section 16 or Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

IN WITNESS WHEREOF, each party hereto, being duly authorized, has caused this Joint Filing Agreement and Power of Attorney to be executed and effective as of the date first written above.

**Highland Credit Strategies Fund**

By: /s/ James Dondero  
Name: James Dondero  
Title: President for Highland Credit Strategies Fund

**Highland Capital Management, L.P.**

By: Strand Advisors, Inc., its general partner

By: /s/ James Dondero  
Name: James Dondero  
Title: President

**Strand Advisors, Inc.**

By: /s/ James Dondero  
Name: James Dondero  
Title: President

**James Dondero**

By: /s/ James Dondero  
Name: James Dondero