

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* HIGHLAND CAPITAL MANAGEMENT LP (Last) (First) (Middle) 13455 NOEL ROAD SUITE 800 (Street) DALLAS TX 75240 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol GRAY TELEVISION INC [GTN]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 12/06/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	12/06/2006		P		1,400 ⁽⁶⁾	A	\$6.2821	4,275,122 ⁽⁶⁾⁽⁷⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	12/14/2006		P		126,000 ⁽⁸⁾	A	\$6.674	4,401,122 ⁽⁷⁾⁽⁸⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	12/15/2006		P		50,000 ⁽⁹⁾	A	\$6.6854	4,451,122 ⁽⁷⁾⁽⁹⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	12/18/2006		P		12,000 ⁽¹⁰⁾	A	\$6.72	4,463,122 ⁽⁷⁾⁽¹⁰⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

1. Name and Address of Reporting Person*
HIGHLAND CAPITAL MANAGEMENT LP
 (Last) (First) (Middle)
13455 NOEL ROAD
SUITE 800
 (Street)
DALLAS TX 75240
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
DONDERO JAMES D
 (Last) (First) (Middle)
13455 NOEL ROAD
SUITE 800
 (Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Highland Credit Strategies Fund](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Strand Advisors, Inc.](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Highland Multi-Strategy Onshore Master SubFund, L.L.C.](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Highland Multi-Strategy Master Fund, L.P.](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Highland Multi-Strategy Fund GP, L.P.](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)

DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Highland Multi-Strategy Fund GP, L.L.C.](#)

(Last) (First) (Middle)

13455 NOEL ROAD
SUITE 800

(Street)
DALLAS TX 75240

(City) (State) (Zip)

Explanation of Responses:

1. statement is filed by and on behalf of: (i) Highland Credit Strategies Fund ("Credit Strategies Fund"); (ii) Highland Multi-Strategy Onshore Master SubFund, L.L.C. ("Multi-Strategy SubFund"); (iii) Highland Multi-Strategy Master Fund, L.P. ("Multi-Strategy Fund"); (iv) Highland Multi-Strategy Fund GP, L.P. ("Multi-Strategy Fund GP"); (v) Highland Multi-Strategy Fund GP, L.L.C. ("Multi-Strategy Fund GP LLC"); (vi) Highland Capital Management, L.P. ("Capital Management"); (vii) Strand Advisors, Inc. ("Strand"); and (viii) James D. Dondero. Multi-Strategy Fund is the managing member of Multi-Strategy SubFund. Multi-Strategy Fund may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy SubFund. Multi-Strategy Fund GP is the general partner of Multi-Strategy Fund.
2. Multi-Strategy Fund GP may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy Fund. Multi-Strategy Fund GP LLC is the general partner of Multi-Strategy Fund GP. Multi-Strategy Fund GP LLC may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy Fund GP.
3. Capital Management is the general partner of Multi-Strategy Fund GP LLC and serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund and Multi-Strategy SubFund. Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy Fund GP LLC and other persons, including Credit Strategies Fund and Multi-Strategy SubFund. 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 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.
4. Each of the reporting persons states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each of the reporting persons disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.
5. Each of the reporting persons may 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.
6. On December 6, 2006, Capital Management acquired 1,400 shares. Following the reported transaction, Capital Management beneficially owned 4,275,122 shares.
7. Includes 259,100 shares owned and/or held by and/or for the account and/or benefit of Credit Strategies Fund. Includes 1,400 shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy SubFund.
8. On December 14, 2006, Capital Management acquired 126,000 shares. Following the reported transaction, Capital Management beneficially owned 4,401,122 shares.
9. On December 15, 2006, Capital Management acquired 50,000 shares. Following the reported transaction, Capital Management beneficially owned 4,451,122 shares.
10. On December 18, 2006, Capital Management acquired 12,000 shares. Following the reported transaction, Capital Management beneficially owned 4,463,122 shares.

Highland Capital Management,
L.P. By: Strand Advisors, Inc., 12/18/2006
its general partner /s/ James
Dondero, President

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

JOINT FILING AGREEMENT AND POWER OF ATTORNEY

DECEMBER 18, 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. Minces, 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.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGE(S) TO FOLLOW.

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 D. Dondero

Name: James D. Dondero
Title: President

HIGHLAND MULTI-STRATEGY ONSHORE MASTER
SUBFUND, L.L.C.

By: Highland Multi-Strategy Master Fund, L.P.,
its managing member
By: Highland Multi-Strategy Fund GP, L.P., its
general partner
By: Highland Multi-Strategy Fund GP, L.L.C., its
general partner
By: Highland Capital Management, L.P., its sole
member
By: Strand Advisors Inc, its general partner

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

HIGHLAND MULTI-STRATEGY MASTER FUND, L.P.

By: Highland Multi-Strategy Fund GP, L.P., its
general partner
By: Highland Multi-Strategy Fund GP, L.L.C., its
general partner
By: Highland Capital Management, L.P., its sole
member
By: Strand Advisors Inc, its general partner

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

HIGHLAND MULTI-STRATEGY FUND GP, L.P.

By: Highland Multi-Strategy Fund GP, L.L.C.,
its general partner
By: Highland Capital Management, L.P., its sole
member
By: Strand Advisors Inc, its general partner

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

HIGHLAND MULTI-STRATEGY FUND GP, L.L.C.

By: Highland Capital Management, L.P., its sole
member
By: Strand Advisors Inc, its general partner

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

HIGHLAND CAPITAL MANAGEMENT, L.P.

By: Strand Advisors, Inc., its general partner

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

STRAND ADVISORS, INC.

By: /s/ James D. Dondero

Name: James D. Dondero
Title: President

JAMES D. DONDERO

By: /s/ James D. Dondero

Name: James D. Dondero

JOINT FILER INFORMATION

OTHER REPORTING PERSON(S)

1. HIGHLAND CREDIT STRATEGIES FUND

ITEM INFORMATION

----- Name:
Highland Credit
Strategies Fund

Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

----- Designated
Filer: Highland
Capital
Management, L.P.

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

Date of Earliest
Transaction
December 6, 2006
Required to be
Reported
(Month/Day/Year):

----- If
Amendment, Date
Original Not
Applicable Filed

(Month/Day/Year):

Relationship of
Reporting 10%
Owner Person(s)
to Issuer: - ---

--- Individual
or Joint/Group
Filing: Form
filed by More
than One
Reporting Person

Signature: By:
/s/ James D.
Dondero -----

----- Name:
James D. Dondero
Title: President
Date: December
18, 2006

3. HIGHLAND MULTI-STRATEGY MASTER FUND, L.P.

ITEM INFORMATION

----- Name:
Highland Multi-
Strategy Master
Fund, L.P. - ---

--- Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

---- Designated
Filer: Highland
Capital
Management, L.P.

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

Date of Earliest
Transaction
December 6, 2006
Required to be
Reported
(Month/Day/Year):

----- If
Amendment, Date
Original Not
Applicable Filed
(Month/Day/Year):

Relationship of
Reporting 10%
Owner Person(s)
to Issuer: - ---

--- Individual
or Joint/Group
Filing: Form
filed by More
than One
Reporting Person

Signature: By:
Highland Multi-
Strategy Fund
GP, L.P., its
general partner
By: Highland
Multi-Strategy
Fund GP, L.L.C.,
its general
partner By:
Highland Capital
Management,
L.P., its sole
member By:
Strand Advisors
Inc, its general
partner By: /s/
James D. Dondero

Name: James D.
Dondero Title:
President Date:
December 18,
2006

4. HIGHLAND MULTI-STRATEGY FUND GP, L.P.

ITEM INFORMATION

----- Name:
Highland Multi-
Strategy Fund
GP, L.P. - -----

- Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

----- Designated
Filer: Highland
Capital
Management, L.P.

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

Date of Earliest
Transaction
December 6, 2006
Required to be
Reported
(Month/Day/Year):

----- If
Amendment, Date
Original Not
Applicable Filed
(Month/Day/Year):

Relationship of
Reporting 10%
Owner Person(s)
to Issuer: - ---

--- Individual
or Joint/Group
Filing: Form
filed by More
than One
Reporting Person
- -----

Signature: By:
Highland Multi-
Strategy Fund
GP, L.L.C., its
general partner
By: Highland
Capital
Management,
L.P., its sole
member By:
Strand Advisors
Inc, its general
partner By: /s/
James D. Dondero

Name: James D.
Dondero Title:
President Date:
December 18,
2006

5. HIGHLAND MULTI-STRATEGY FUND GP, L.L.C.

ITEM INFORMATION

----- Name:
Highland Multi-
Strategy Fund
GP, L.L.C. - ---

--- Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

---- Designated
Filer: Highland
Capital
Management, L.P.
- -----

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

Date of Earliest
Transaction
December 6, 2006
Required to be
Reported
(Month/Day/Year):

----- If
Amendment, Date
Original Not
Applicable Filed
(Month/Day/Year):

Relationship of
Reporting 10%
Owner Person(s)
to Issuer: - ---

--- Individual
or Joint/Group
Filing: Form
filed by More
than One
Reporting Person

Signature: By:
Highland Capital
Management,
L.P., its sole
member By:
Strand Advisors
Inc, its general
partner By: /s/
James D. Dondero

Name: James D.
Dondero Title:
President Date:
December 18,
2006

6. STRAND ADVISORS, INC.

ITEM INFORMATION

----- Name:
Strand Advisors,
Inc. - -----

----- Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

----- Designated
Filer: Highland
Capital
Management, L.P.

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

----- Date of Earliest
Transaction
December 6, 2006
Required to be
Reported
(Month/Day/Year):

----- If
Amendment, Date
Original Not
Applicable Filed
(Month/Day/Year):

ITEM INFORMATION

----- Name:
James D. Dondero

Address: Two
Galleria Tower
13455 Noel Road,
Ste. 800 Dallas,
Texas 75240 - --

----- Designated
Filer: Highland
Capital
Management, L.P.

----- Issuer
Name and Ticker
or Gray
Television, Inc
[GTN] Trading
Symbol: - -----

Date of Earliest
Transaction
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Reported
(Month/Day/Year):

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Amendment, Date
Original Not
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