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KEY DEVELOPMENTS

ACA Applauds FCC For Continuing On Path Toward Regulatory Fee Parity Between Cable/IPTV Providers and DBS Giants

American Cable Association President and CEO Matthew M. Polka issued the following statement on August 30 regarding the Federal Communications Commission's order that moves regulatory fees for Cable/IPTV and DBS providers closer to parity:

"ACA appreciates the FCC's ongoing efforts to close the gap between the regulatory fees paid by cable operators and satellite TV providers, and in particular this year's significant decrease in the Cable/IPTV rate. With the difference in fees for fiscal 2018 now being as close as it is, ACA hopes the FCC will complete its march toward complete parity when the issue is considered again next year.

"In a new order, the FCC has adopted the latest regulatory fee schedule that takes another positive step in the direction of establishing regulatory fee parity between Cable/IPTV providers and DBS giants DirecTV and Dish Network. In fiscal 2018, the cable/IPTV annual fee will be 77 cents per subscriber, down from last year's rate of 95 cents, while the DBS annual fee per subscriber will be 48 cents, up 10 cents from the prior year and thus reducing the fee burden on smaller cable operators. [Read more.](#)



ACA: FCC's First CAF Reverse Auction A Major Win For Broadband Consumers



American Cable Association President and CEO Matthew M. Polka issued the following statement on August 29 in response to the results of the Federal Communication Commission's first-ever reverse auction to award fixed broadband support:

"This Connect America Fund auction is a major win for consumers and for all of us that want all Americans to have access to broadband Internet access and that believe federal funds should be used efficiently to achieve that purpose. The winning bidders for this auction will deliver to consumers in high-cost areas higher-performance broadband service using far less universal service support than the price cap carriers that received model-based support are now doing in the areas they elected to serve. This auction, while certainly requiring

fine-tuning, establishes the paradigm for awarding by auction model-based support in price cap territories when the non-auction approach is expected to sunset in a few of years.

"Since 2011, ACA has supported using auctions to award universal service in unserved areas in price cap carrier territories, and it participated extensively in commenting on FCC proposals for how the auction should be structured and administered. [Read more.](#)

ACA To FCC: Gray-Raycom TV Station Merger Will Drive Cable, Satellite TV Rates Higher

Gray Television Inc. will own 124 stations in 92 markets if the \$3.65 billion merger with Raycom Media Inc. closes, requiring the Federal Communications Commission, as part of its merger review, to account for the harm of higher retransmission consent fees certain to result from the creation of one of the largest TV station ownership groups in the country, according to the American Cable Association.



ACA told the FCC it can't ignore key merger-related harms in a filing submitted on Aug. 27 as part of the agency's legal obligation to ensure that any TV station license transfer will serve "the public interest, convenience, and necessity." ACA stressed that although Gray-Raycom has vowed to sell nine stations to terminate same-market duopolies, the FCC needs to grapple with the fact that recent economic studies

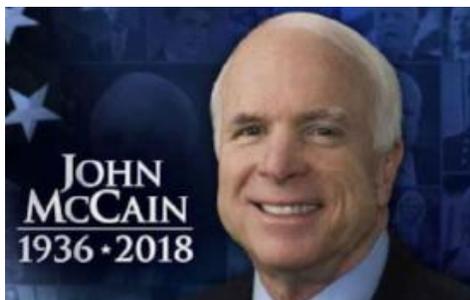


presented to the agency are unmistakably clear that larger TV station groups have market leverage to charge higher retransmission consent fees than smaller TV groups.

Since at least some of these fees will get passed on to consumers served by multichannel video programming distributors (MVPDs), the merger will inflict harm on consumers in the form of higher monthly pay-TV bills, ACA said, adding that consumer price increases and related harms rank among the foremost public interest harms of concern to the FCC. [Read more.](#)

ACA FILING 8/27 [ACA Comments re Gray-Raycom Applications to Transfer Licenses](#)

ACA Statement On The Passing Of Sen. John McCain



American Cable Association President and CEO Matthew M. Polka issued the following statement on August 25 on the passing of Sen. John McCain:

"Noble war hero, fearless patriot, courageous public servant, Sen. John McCain gave his everything to the United States of America. We honor the memory and the service of Sen. McCain, and we also send our deepest condolences and prayers to his family."

ACA FILINGS

ACA has been actively representing independent cable in many other ways and on many issues in

Washington, D.C. Those efforts are described in the filings, letters, and testimonies linked below for your review:

[8/29 FCC Ex Parte re Assessment and Collection of Regulatory Fees for Fiscal Year 2018 w/ Office of Chairman](#)

[8/29 CRJ Joint Comments \(w/ Others\) re Adjustment of Royalty Rates for Statutory Cable Retransmission License](#)

[8/27 FCC Ex Parte re Assessment and Collection of Regulatory Fees for Fiscal Year 2018 w/ Office of Cmmsr Rosenworcel](#)

[8/22 FCC Ex Parte re Assessment and Collection of Regulatory Fees for Fiscal Year 2018 w/ Office of Cmmsr O'Rielly](#)

For all ACA filings, letters, and testimonies, please the ACA [website](#).

NEWS HEADLINES

Comcast Gets DOJ Notice That NBC Antitrust Scrutiny Will Persist (Bloomberg, 8/31)

Antitrust restrictions placed on Comcast Corp. after its takeover of NBCUniversal are due to expire in a few days. But that doesn't mean the Justice Department is done scrutinizing the company. The department's antitrust division wrote a letter to Comcast this month warning that it would continue to monitor developments in how the company handles TV programming and distribution.

GTCR, Mega Broadband Investments Buy Northland (Multichannel News, 8/29)

Chicago-based private equity firm GTCR and Mega Broadband Investments said they have agreed to purchase Northland Communications, a voice, video and high-speed data provider to rural market customers in the Southeast, Texas and the Northwest. Terms of the deal were not disclosed. GTCR and MBI first established their partnership in 2017 to purchase rural broadband providers. MBI chief executive Phil Spencer was previously CEO of Rural Broadband Investments, a GTCR-backed rural service provider that acquired several small operators across the country and was sold to Cable ONE last year.

Public Option For Click! Network Would Skip Cable TV (Takoma Weekly, 8/30)

The future of Click! Network is being looked at from many angles. Under one model being considered, the Takoma, Wash., city maintains control of its municipal broadband system, but it would no longer offer cable television. A public model allows the city to determine policy, but at a cost.

Charter Gets More Time To Exit N.Y. State (MCN, 8/29)

The N.Y. PSC has granted Charter more time to produce a plan for discontinuing service in New York, extending the deadline to Oct. 9, as well as the deadline for appealing that decision, which is now Sept. 10. The commission ruled on July 27 that the cable operator had failed to comply with the broadband network expansion condition the state put on the deal, as well as related matters in which it was "deficient," and require Charter to come up with a plan within 60 days of how to wind down operations in the state.

FCC Chair Calls For Greater Oversight Of Tech Firms (The Hill, 9/4)

FCC Chairman Ajit Pai is calling for greater oversight of major technology companies as Congress prepares to grill executives from Facebook and Twitter this week. Pai said in a blog post published on Sept. 4 that he's concerned about how much power the Internet platform companies wield, combined with allegations that the industry is biased against conservatives.

NCTC Adds Four To Board (Light Reading, 8/29)

The National Cable Television Cooperative, representing more than 750 small and mid-sized independent cable operators across the U.S., announced the appointment of four new members to its Board of Directors: Katie Espeseth, vice president, EPB Chattanooga; Brad Moline, president, Allo Communications; Matt Weller, president, All West Communications; and Tom Whitaker, senior vice president-cable, Shentel Communications. All were elected to the board on July 29 at NCTC's annual members' meeting, The Independent Show, in Anaheim, Calif.

Sen. Hatch Wants FTC To Investigate Google (Washington Post, 8/30)

Sen. Orrin Hatch (R-Utah) is urging the Federal Trade Commission to reopen an investigation into Google and its practices in online search and digital advertising. Hatch asked the FTC to "consider the competitive effects of Google's conduct" in light of what he said were "disquieting" reports of potentially harmful behavior by the search giant.

Man Who Threatened To Kill Ajit Pai's Children Pleads Guilty (Ars Technica, 9/4)

A man who threatened to kill the children of FCC Chairman Ajit Pai pleaded guilty in federal court on Aug. 31. Markara Man, a 33-year-old man from California, faces up to 10 years in prison when he is sentenced Dec. 7 at U.S. District Court for the Eastern District of Virginia. Man pleaded guilty to the crime of intimidating, interfering with, or retaliating against a federal official by threatening to murder a family

ACACTION BRIEF TOP THREE

Most-Clicked Links From August 22 ACAction Brief

1. [ACA, Prof. Rogerson File Amicus Brief In AT&T-Time Warner Appeal](#)
2. [FCC Approves One-Touch Pole Attachments](#)
3. [Amazon Is Planning Live TV Recorder, Challenging TiVo](#)

ABOUT THE AMERICAN CABLE ASSOCIATION

Across this vast country, small and rural markets participate in the digital revolution by receiving video, broadband, and phone services from nearly 800 small and medium-sized independent operators represented by the American Cable Association.

ACA's members -- cable, phone, and fiber-to-the-home operators and municipalities -- deliver affordable basic and advanced services to nearly 7 million households and businesses. ACA members operate in every state, offering high-definition television, next generation Internet access, and digital phone service.

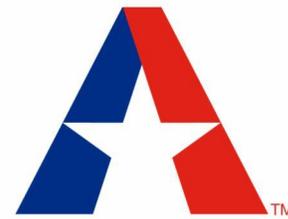
Access to advanced communications is not a luxury but a critical necessity for consumers and companies, schools and hospitals. America's economic prosperity in smaller markets and rural areas depends on the growth and success of ACA members, who believe a connected nation, is a united nation.

The ACA asks lawmakers and regulators to ensure fair treatment so that small and medium-sized independent operators may continue to supply affordable video, broadband, and phone services to Main Street America. Through active participation in the policymaking process, ACA members and leaders advocate for the interests of their customers, their companies, and their communities to help ensure the continued viability of their way of life in hometown America.

For more information, visit www.americancable.org, or contact:

Ross Lieberman, SVP Government Affairs
202-494-5661 | rlieberman@americancable.org

Ted Hearn, VP Communications
202-713-0826 | thearn@americancable.org



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