

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Modernization of Media Regulation Initiative	)	MB Docket No. 17-105
	)	
Revisions to Cable Television Rate Regulations	)	MB Docket No. 02-144
	)	
Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation	)	MM Docket No. 92-266
	)	MM Docket No. 93-215
	)	
Adoption of Uniform Accounting System for the Provision of Regulated Cable Service	)	CS Docket No. 94-28
	)	
Cable Pricing Flexibility	)	CS Docket No. 96-157

**REPLY COMMENTS OF THE NATIONAL ASSOCIATION OF  
TELECOMMUNICATIONS OFFICERS AND ADVISORS**

The National Association of Telecommunications Officers and Advisors (“NATOA”) submits these comments in response to the Further Notice of Proposed Rulemaking (“FNPRM”) released by the Federal Communications Commission (“Commission”) on October 23, 2018, in the above-captioned proceedings.<sup>1</sup>

NATOA’s membership includes local government officials and staff members from across the nation whose responsibility is to develop and administer communications policy and the provision of such services for the nation’s local governments. Many NATOA members represent Local Franchising Authorities (“LFAs”) from across the country that are actively involved in monitoring and enforcing cable customer service standards. One issue of significant concern is

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<sup>1</sup> *In re Modernization of Media Regulation Initiative*, MB Docket No. 17-105, *Further Notice of Proposed Rulemaking & Report & Order*, FCC 18-148 (Oct. 23, 2018).

increases to basic service tier rates and fees, along with increased costs for equipment and support. These steep increases to basic-related equipment and services disproportionately impact those subscribers who are taking the most affordable tier of service and include those on a fixed income or who may be using limited basic cable to receive their broadcast and local PEG channels to keep them connected to their community.

NATOA agrees that it is appropriate for the Commission to review its regulations and eliminate any obsolete requirements and forms. However, in doing so, the Commission should remain cognizant of its statutory obligation to subscribers to “ensure that the rates for the basic service tier are reasonable.”<sup>2</sup> Though the Commission’s 2015 *Effective Competition Order*<sup>3</sup> has significantly curtailed LFA rate regulation, this should not be taken as evidence that cable rates are in fact held down by competition. As the Commission has found, rates continue to rise, and the presence of what the Commission has deemed “effective competition” has not kept rates in check.<sup>4</sup> As noted in the Comments of the Massachusetts Department of Telecommunications and Cable, cable rates are rising much faster than the rate of inflation and unregulated rates have not resulted in lower prices for cable services.<sup>5</sup>

Thus, the Commission should reject the American Cable Association’s (“ACA”) assertion that rate regulation “provides no meaningful benefit in today’s highly competitive market.”<sup>6</sup> The ACA asserts that its members face increased competition, but—tellingly—nowhere does it attempt to demonstrate that competition has led to reduced or even stable rates for cable service. While

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<sup>2</sup> 47 U.S.C. § 543(b)(1).

<sup>3</sup> *Amendment of the Commission’s Rules Concerning Effective Competition; Implementation of Section 111 of the STELA Reauthorization Act*, Report and Order, 30 FCC Rcd 6574 (2015).

<sup>4</sup> See *In re Implementation of Section 3 of the Cable Television Consumer Prot. & Competition Act of 1992*, Report on Cable Indus. Prices, DA 18-128, (2018).

<sup>5</sup> Comments of the Massachusetts Department of Telecommunications and Cable, *In re Modernization of Media Regulation Initiative*, MB Docket No. 17-105 (filed January 10, 2019) at p. 2; 6-9 (MDTC Comments).

<sup>6</sup> Comments of the American Cable Association, *In re Modernization of Media Regulation Initiative*, MB Docket No. 17-105 (filed February 8, 2019) at p. 2.

“house-cleaning” may be appropriate, the Commission cannot and should not base its decisions in this proceeding on the unsupported premise that the market is sufficiently holding down cable service rates.

Further, NATOA shares the concerns regarding NCTA’s benchmark proposal expressed in the MDTC Comments<sup>7</sup> and the Comments of the State of Hawaii.<sup>8</sup> Any changes to the Commission’s regulations and forms must comply with the requirements of the Cable Act, in particular the criterion set forth in 47 U.S.C. § 543(b)(2)(C), a minimum threshold NCTA’s proposal cannot meet.

Though few LFAs regulate basic service tier rates due to the *Effective Competition Order*, LFAs remain invested in ensuring that cable service is affordable for all residents, and remain concern that cable rates may continue to rise unabated. So while NATOA supports the Commission’s effort “clean house” by eliminating obsolete rules and forms, we urge the Commission to remain mindful of seemingly ever-increasing cable rates and its statutory obligation to protect subscribers.

Respectfully submitted,



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<sup>7</sup> MDTC Comments at p. 5-12.

<sup>8</sup> Comments of the State of Hawaii, *In re Modernization of Media Regulation Initiative*, MB Docket No. 17-105 (filed February 8, 2019) at p. 5-6.