

August 31, 2016

Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Michael O'Riley
Commissioner Ajit Pai
Commissioner Jessica Rosenworcel
Federal Communications Commission
445 12th Street SW
Washington DC, 20554

Dear Chairman Wheeler and Commissioners Clyburn, O'Riley, Pai, and Rosenworcel:

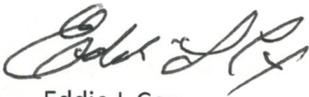
I am writing on behalf of Central Telcom Services LLC (CentraCom) a very small multichannel video programming distributor (MVPD) providing analog, digital, internet and voice services in Utah, about the Federal Communication Commission's (Commission) Navigation Device proceeding (MB Docket No. 16-42/CS Docket No. 97-80). Central Telcom Services entered the video business in 2004 by purchasing systems from defunct Mallard Communications. Since then we have also purchased systems from Precis Communications and Comcast. We serve approximately 3550 basic video subscribers in 30 plus communities in rural Utah. We are served by the Salt Lake City DMA. Our company has rebuilt or newly constructed all areas. This has bettered our services and product offering. We have now installed new equipment to go all digital. We have upgraded the services we receive from program distributors and our feeds from Comcast's Head End In the Sky (HITS). We try to compete with off air translators, Dish Network, Direct TV and internet streaming companies. We have spent thousands of dollars on our new digital conversion. At this very moment, as well as from day one, we have never made any profit from our video service. The possibility of these new rules will drive us out of the video business. We urge you not to apply the new rules to smaller MVPDs.

Like other smaller MVPDs, Central Telcom Services faces major challenges in our pay-TV business. Programmers are demanding significant and growing fees and increasing carriage of "unwanted" networks as well as penetration penalties. Retransmission contracts have placed tremendous burdens on negotiations and fees. Our customers have more video choices both from much larger, traditional pay-TV providers and from over-the-top video sources, which often provide comparable services at lower costs. As a result, our margins have continually eroded away. Despite our troubles, our customers appreciate receiving video service from us. The provisioner and controller of the set top boxes that we use have been outstanding in service and help. But to change the encryption and equipment would be a technical nightmare. Not only would it cost our company hundreds of thousands of dollars, but it would cost millions across the nation. The disruption and the learning process for the customers would be immense. I am deeply concerned that changing the methods of how the set top business is working now, would be a total catastrophe. This proposal will cause disruption to millions of customers.

On behalf of our customers and our employees, we urge the Commission not to apply any new Navigation Device requirements to smaller MVPDs. This will force our company out of the video business. These rules will not help small MVPD operations and does not advance the asserted purpose of the proposed rules – to promote innovation and lower consumer prices. Instead, it eliminates a local service option for consumers, and it means the loss of jobs, tax and fee revenues for our community, among other harms.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie L Cox", written in a cursive style.

Eddie L Cox
General Manager
Central Telcom Services

Cc: Senator Orrin Hatch
Senator Mike Lee
Representative Mia Love
Representative Chris Stewart