

November 27, 2018

The Honorable Ajit Pai, Chairman
The Honorable Michael O’Rielly, Commissioner
The Honorable Brendan Carr, Commissioner
The Honorable Jessica Rosenworcel, Commissioner

Chairman
Federal Communications Commission
455 12th Street, Southwest
Washington, DC, 20544

Dear Chairman Pai,

I am writing to support the Comments of the Cable Act Preservation Alliance (“CAPA”) and to disapprove of the proposals and tentative conclusions set forth in the FCC’s September 25 Further Notice of Proposed Rule Making in *Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992*, MB Docket 05- 311.

The Portland Media Center in Portland, Maine provides Public Access television services to Portland and 15 surrounding communities with a total population of nearly a quarter of a million people. We provide a vital communication link for non-profit organization, churches, local government and a vast array of citizens. Through our programming we inform, enlighten, entertain and educate our viewers and helps them stay connected to people, institutions and organizations in our community.

This local presence enables the residents of Portland to watch uniquely local programming about their community and local events and issues of interest to them, which was the intent of the PEG provisions of the 1984 Cable Act – to enhance local voices, serve local community needs and interests, and strengthen our local democracy. By defining “franchise fee” in an overly broad fashion to include “in-kind” support, the FCC’s proposals will shift the fair balance between cable franchising authorities and cable operators and will force communities to choose between franchise fees and PEG channels, – something that was never the intent of the Act.

We strongly support the comments made by thousands of individuals, local and county governments, non-profit groups and organizations such as the Alliance For Community Media, NATOA and others.

I would like to briefly respond to two sets of first round comments filed on this issue:

The NCTA claims that these fees stifle innovation. This tired argument is trotted out every time an industry has to provide a service that they want to stop providing. Innovation in the cable industry is clearly not being stifled by the In-Kind costs. Cable operators have been expanding the number of channels available, upgrading their signals to all digital/fiber and are constantly increasing the speed of their internet service, all while enjoying record profitability – AND

paying the fees in question to their LFA. The fees are certainly not “excessive” or “burdensome” by any reasonable definition.

In their comments Verizon claims that allowing the change will slow the rise of cable television fees. First, it should also be noted that the Franchise Fees are paid by the individual customer, not the Cable Operator and that there is, in almost all cases, a cap on the Franchise Fees that can be charged. In addition, should the proposed rules be adopted, the Franchise Fees will still be collected. The only difference is that the Cable Operator will retain the money instead of passing it along to the LFA. Second, the huge rise in cable television fees is almost exclusively due to the increase in programming/carriage costs imposed by the various broadcast networks. Whenever there is an increase in fees the Cable Operator always blames the increase on a rise in programming costs or costs for improving service. I’ve never once heard a Cable Operator point to Franchise Fees or In-Kind services as a reason for the increase.

The arguments in favor of the Proposed Rulemaking do not stand up to even a minimal level of scrutiny. This Proposed Rulemaking should be rejected in favor of protecting PEG channels in communities all across the country.

Sincerely,
Brian Knoblock
Production Coordinator
Portland