

DOCKET FILE COPY ORIGINAL

# **KAMO POWER**

July 21, 1994

The Honorable Reed Hundt, Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm 814  
Washington, DC 20554

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JUL 28 1994

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**Cable Competition Report - CS Docket No. 94-48**

Dear Chairman Hundt:

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I am writing this letter in support of the Comments filed by the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

KAMO Power is a generation transmission utility and a member of NRTC. We provide wholesale electric service to seventeen electric cooperatives located in northeast Oklahoma and southwest Missouri.

Currently, cooperative members pay higher fees for access to popular cable and broadcast programming than comparably sized cable companies in their area. These inflated rates for program access means higher charges for their consumers for the same service. This discriminatory pricing has had a detrimental effect on their ability to compete in the local marketplace. Their rural consumers are then adversely affected because they are denied the benefits cable consumers receive due to their choice to live in a rural environment.

Since the majority of these consumers live in rural areas not served by cable and off-air television, they have no other choice for multichannel television programming other than satellite. These consumers are penalized for access to satellite television programming by paying higher rates than their counterparts with access to cable.

In 1992 Congress passed the Cable Act mandating that all distributors (cable, satellite and otherwise) should be granted equal access to cable and broadcast programming services at non-discriminatory rates. But, in 1994 they are still paying more for many programming services than comparably sized cable companies.

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**The Honorable Reed Hundt, Chairman  
Federal Communications Commission  
Page 2**

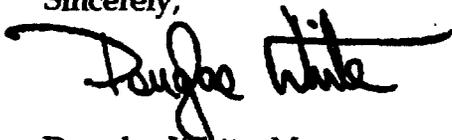
**Although some programmers have lowered their rates since the implementation of the 1992 Cable Act, not all have. Equal access to all programming at rates comparable to those paid by cable must be offered to all consumers at the same prices. Anything less is unacceptable.**

**In that regard, KAMO Power joins NRTC in asking the FCC to monitor and enforce this Act to prohibit these abusive practices and ensure that the original intent of the 1992 Cable Act enacted by Congress is being upheld.**

**Specifically, I feel that the FCC must prohibit abuses of the program access provisions of the 1992 Cable Act by rule and make it clear that damages will be awarded for program access violations.**

**Your attention on this matter is greatly appreciated.**

**Sincerely,**

A handwritten signature in black ink that reads "Douglas White". The signature is written in a cursive style with a long horizontal flourish extending to the right.

**Douglas White, Manager  
Corporate Development**

**DW/eah**



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JUL 29 1994  
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July 25, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm... 814  
Washington, D.C. 20554

RE: Cable Competition Report  
CS Docket No. 94-48

DOCKET FILE COPY ORIGINAL

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As an affiliate of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers who are largely not served by cable.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV™.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DIRECTV™ subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB

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service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

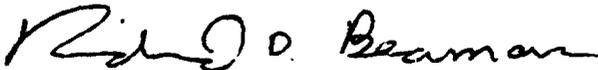
Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. Kansas DBS, L.L.C. is a start-up business in Kansas. Our owners have invested approximately three million dollars in this new venture. Under the present arrangement our customers are confused about the reasons for not being able to purchase HBO/Showtime, etc. directly from us. We not only have to turn "our customers" over to another entity but we also suffer a negative financial impact.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

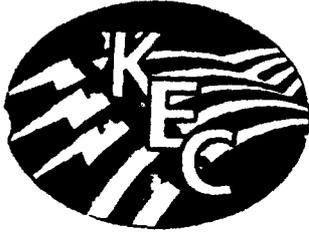
Sincerely,



Richard D. Beaman  
General Manager

RDB/np

cc: The Hon. Representative Slattery  
The Hon. Senator Dole  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong



DOCKET FILE COPY ORIGINAL  
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**KIWASH ELECTRIC COOPERATIVE, INC.**

120 WEST FIRST STREET

P. O. BOX 100

CORDELL, OKLAHOMA 73832

PHONE: (405) 832-3361  
FAX: (405) 832-5174

**RECEIVED**

JUL 26 1994

July 22, 1994

The Honorable Reed Hundt, Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, DC 20554

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Dear Chairman Hundt:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Kiwash Electric is a rural utility and NRTC member providing television programming to rural consumers. These consumers live in rural areas that are sparsely populated and do not receive cable service. These rural families have little choice other than satellite for receiving television service. Because they have no other choice except satellite television service, we need complete access to all programming at fair rates, comparable to those paid by cable, in order to provide comparable service in rural areas.

We believed that Congress had already solved this problem two years ago with the passage of the 1992 Cable Act, but we are still being charged significantly more for cable and broadcast programming than comparatively sized cable companies in our area. We question why cable companies in our area should receive programming at lower rates than us.

Discriminatory pricing hurts both us and the consumer, because our consumers have no other choice for programming other than satellite and are forced to pay higher rates than those with access to cable. We agree with NRTC's position that the FCC should act to enforce the wishes of Congress as put forth in the 1992 Cable Act.

Chairman Hundt, we urge you to monitor and combat the problems we have mentioned by prohibiting abusive practices by rule and by making it clear that damages will be awarded for Program Access violations. Your consideration will be deeply appreciated.

Sincerely,

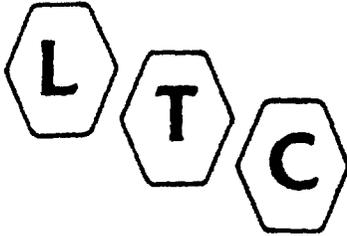
KIWASH ELECTRIC COOPERATIVE, INC.

✓  
Paul Lenaburg, General Manager

PL:m1

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# Ligonier Telephone Company, Inc.

Phone (219) 894-7161

**The Honorable Reed Hundt**  
**Chairman**  
**Federal Communications Commission**  
1919 M Street, NW, Rm. 814  
Washington, D.C. 20554

Date: July 21, 1994

DOCKET FILE COPY ORIGINAL

JUL 21 1994

Dear Chairman Hundt:

I represent the Ligonier Telephone Company, a family owned and operated local exchange company in Indiana. In business for over 90 years, we have recently joined the NRTC to offer DirecTv services to our customers who, in general, have no access to cable television.

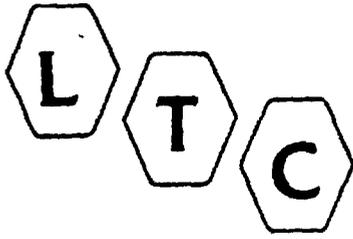
I have an area of concern with regards to program access that is being seriously restricted by Time Warner and Viacom, our major competitors with their Primestar System. While they split and unfairly hinder our efforts to compete in the local marketplace with their exclusive distribution agreement with USSB for programming so that DBS customers must subscribe to two companies ( USSB and DirecTv ) for the full plate of DBS programming available, they place no such restrictions on their own operation or other cable and large dish companies. This is a problem that I thought resolved with the passage of Section 19 in the 1992 Cable Act.

I equate this with us only offering our customers AT&T for their long distance as opposed to equal access. Look at what equal access has done to long distance rates for consumers. The same would apply to DBS rates if there was competition for services instead of the current exclusive arrangement between USSB and Viacom/ Time Warner.

Is the philosophy of the FCC to encourage competition in all forms for communications, be it video, voice or data ? Or is this just a selective vision impaired by the efforts of big-time lobbyists for our main competitors, the vertical operations such as Viacom and Time Warner? Who stands to gain the most from the current monopolistic practices I ask you? Is it USSB or DirecTv? I think not.

DiracTv's DBS system is a new technology that is light-years ahead of anything the Cable Companies currently offer or plan to offer in the near future. The video quality and audio quality alone surpass anything I have seen on cable in Indiana and should be held as the standard that all video service providers should have to meet. While they scream for access to the local exchange

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**Ligonier Telephone Company, Inc.**

Phone (219) 894-7161

marketplace for dial tone services they refuse to even level the playing field for their own programming services with regards to equal access. This is coming from the industry that forced its own reregulation due to poor business practices. I am more than willing to pay my fair share for access to these services. I don't understand why I am denied that right! I have not heard an acceptable response to that statement yet, have you? Not one of the programming contracts signed by DirecTV with the programmers are exclusive and USSB could also offer those services if they so choose.

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

In closing, Chairman Hundt, I ask that you end these types of exclusionary arrangements represented by the USSB/ Time Warner/ Viacom deal. I thank you for the chance to contribute my viewpoint to this matter. that of a small LEC that only wishes to offer the very best to its customers.

Sincerely,



Steven R. Schloss

Treasurer

Ligonier Telephone Company, Inc.

cc:

William F. Caton, Secretary

The Hon. James H. Quello

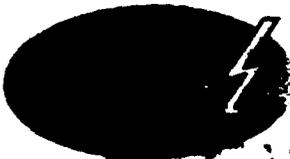
The Hon. Andrew C. Barrett

~~The Hon. James H. Quello~~  
~~The Hon. R. Richard B. ...~~

DOCKET FILE COPY ORIGINAL

McCULLOCH ELECTRIC COOPERATIVE, INC.

Electricity for the Rural Area



JUL 28 1994

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July 25, 1994

DOCKET FILE COPY ORIGINAL

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, D.C. 20554

Re: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

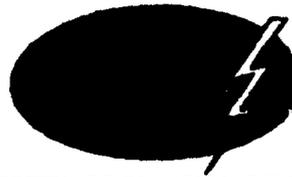
I want to voice my support of the Comments filed by the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

McCulloch Electric Cooperative is a rural electric utility which is a member of NRTC and is directly involved in the distribution of C-band satellite television programming to over 300 consumers. The umbrella organization, of which we are a member, serves close to 5,400 consumers. The number of new consumers requesting service increases daily.

Currently, our umbrella group, Texas VI Satellite, Inc., is forced to pay significantly more for access to popular cable and broadcast programming than comparably sized cable companies in our area. The fact that we are forced to pay inflated rates for program access means we must in turn charge consumers more for our service, a fact which has already had a detrimental effect on our ability to compete in our local marketplace.

The number of consumers disconnecting service is as great as those new consumers requesting service. The reason for disconnections is pricing and packaging. We are not afforded the same pricing and packaging advantages as that given the cable companies. We have great loyalty from our consumers, but the cost of service sways even the strongest supporter and causes everyone to drop programming they want so they can stay within a budget. This unfair pricing is hurting the service we provide and the consumers. Our consumers live in remote areas not served by cable and off-air television. They have no other choice for multichannel television programming other than satellite.

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It was my impression that, in the 1992 Cable Act, Congress had mandated that all distributors (cable, satellite and otherwise) should be granted equal access to cable and broadcast programming services at non-discriminatory rates. If this is the case, why are we still paying more for many programming services than comparably sized cable companies?

While it is true that some programmers have lowered their rates since the implementation of the 1992 Cable Act, we must have fair and equal access to all programming at rates comparable to those paid by cable or we will be unable to offer satellite television at prices acceptable to rural consumers.

In that regard, McCulloch Electric Cooperative, Inc., joins NRTC in calling on the FCC to monitor and combat the problems that I have mentioned above and to ensure that the intentions of Congress are being upheld with regard to the 1992 Cable Act.

Specifically, I feel that the FCC must prohibit abuses of the program access provisions of the 1992 Cable Act by rule and make it clear that damages will be awarded for program access violations.

I thank you for your attention on this matter.

Sincerely,

  
Jeanagayle Behrens  
Director of Member Services

JB/

cc: Secretary FCC  
FCC Commissioners

*McLeod Cooperative Power Association*

July 15, 1994

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JUL 18 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W., Rm. 814  
Washington, D.C. 20554

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RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48. This is very important to our Cooperative and our rural consumers. We need your support to allow us to fairly compete in the rural TV market in Renville, McLeod, Sibley and Carver Counties of Minnesota.

As a rural electric member, of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstances, if

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one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

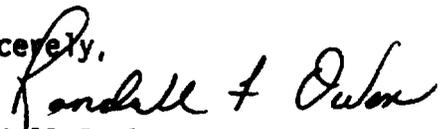
Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. Our customers do not understand why they have to pay extra and go to another source outside our community to get movies on HBO or Showtime.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



Randall F. Owen  
General Manager

cc: The Hon. Representatives Roger Cooper, Robert Ness, Tony Onnen,  
Darrel Mosel, Carol Molnau  
cc: The Hon. Senators Steve Dille, Dennis Frederickson  
cc: William F. Caton, Secretary  
cc: The Hon. James H. Quello, Andrew C. Barrett, Susan Ness, Rachelle B. Chong



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# Mid Century Telephone Cooperative, Inc.

P.O. BOX 478 • WEST LOCUST STREET • CANTON, ILLINOIS 61820-0478 • TELEPHONE (309) 647-8113 • FAX # (309) 783-3297

July 28, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, DC 20554

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JUL 29 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

RE: Cable Competition Report  
CS Docket No. 94-48

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Dear Chairman Hundt,

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural telephone member of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act.

I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service.

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Century

This also hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

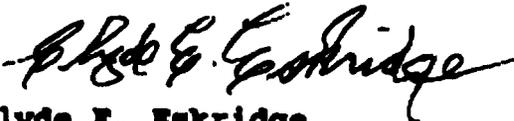
Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. We have had several of our customers question why HBO/Showtime are not available in the DIRECTV packaging. Also when we try to explain, many of our customers still do not understand.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tausin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



Clyde E. Eskridge  
Manager

CCE/ksw

cc:  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong



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JUL 26 1994

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July 22, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Room 814  
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Dear Chairman Hundt:

This letter is in support of the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

I'm a rural utility and NRTC member delivering television programming to rural consumers who are largely not served by cable. These rural families have little choice other than satellite for receiving any type of choice television service.

I feel we need complete access to all programming, at a fair rate, with compatibility to rates paid by cable. It's funny, but I thought the 1992 Cable Act was to have addressed this issue; apparently, I was wrong.

Mr. Hundt, discriminatory pricing hurts us and the consumer. By being unable to compete in our marketplace, consumers will have no choice of programming and most likely pay higher rates than those that have access to cable. Why is it that the rural population is always paying for the excesses of the urban? It is time for the FCC to act; it is time for the FCC to enforce the wishes of the United States Congress as was put forth in the 1992 Cable Act.

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*Orig*

*a member owned cooperative*

1005 East Lincolnway, Jefferson, Iowa 50129

Phone 515-386-4111

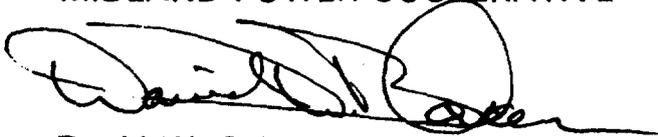
Fax 515-386-2385

The Honorable Reed Hundt  
July 22, 1994  
Page two

Please accept NRTC's position and stop this unjust practice.

Regards,

MIDLAND POWER COOPERATIVE

A handwritten signature in black ink, appearing to read "David W. Baker", written over a horizontal line.

David W. Baker  
Director of Economic Development  
& Member Relations

cc: Don Severson  
William F. Caton  
James H. Quello  
Rachelle B. Chong  
Andrew C. Barrett  
Susan Ness  
Senator Tom Harkin  
Senator Charles Grassley  
Representative Fred Grandy

STOP 1170

JUL. 27. 1994 10:55AM P 1

PHONE NO. : 218 346 8294

FROM : ROYALE COMTRONICS

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Company: FCC

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PLEASE DISTRIBUTE A COPY TO :

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SUSAN NESS

VOICE: 346-1300 FAX: 346-8294

IN: 5875



# MIDWEST MINNESOTA DBS

127 1st Avenue South • Perham, Minnesota 56573 • Phone (218) 346-1300

DIRECTV™ is an official trademark of DIRECTV, Inc., a unit of GE Capital Resources.

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, DC 20554

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JUL 27 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

My company, Midwest Minnesota DBS, is owned by three rural telephone companies that are members of the NRTC along with Midwest Minnesota DBS. Midwest Minnesota DBS is a distributor of DIRECTV™ in Otter Tail, Todd, Becker, and Grant Counties in Minnesota. The sole objective of Midwest Minnesota DBS is to bring affordable satellite television to the rural customers in central Minnesota.

This objective is being hampered, despite passage of 1992 Cable Act, by the lack of access to programming owned by TimeWarner and Viacom. Midwest Minnesota DBS is unable to compete on a level playing surface with other television services due to the lack of access to popular cable networks such as HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon, and others available only to my key competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

DIRECTV on the otherhand has not signed any exclusive programming distribution contracts and has left USSB at liberty to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, Midwest Minnesota DBS agrees whole heartedly with the NRTC that these exclusive programming contracts do not follow the intent of the 1992 Cable Act. My belief is that the Act prohibits any arrangement that prevents any distributor from gaining

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## MIDWEST MINNESOTA DBS

127 1st Avenue South • Perham, Minnesota 56573 • Phone (218) 346-1300

access to programming to serve non-cabled rural areas under this situation. Under the present circumstances, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level by making it necessary for the customer to receive two monthly bills to receive both DIRECTV and USSB products.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Rich Richter".

Rich Richter

cc:

The Hon. Collin Peterson  
The Hon. Paul Wellstone  
The Hon. David Durenberger  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong

# Concert Announcement

**Rolling Stones Live at RFK Stadium, Monday, Aug. 1st**

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July 27, 1994

AUG 01 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, DC 20554

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PERSONAL MAIL ROOM

RE: Cable Competition Report - CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural telephone member of NRTC and distributor of the DirectTV direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers. Many of our customers live in rural areas that are too sparsely populated to receive cable TV. These rural households have little choice other than satellite for receiving television service.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom. My understanding has always been that with the 1992 Cable Act this problem had been solved.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, the Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DirectTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DirectTV.

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The Honorable Reed Hundt  
July 27, 1994  
Page 2

Mr. Hundt, my organization agrees with NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DirecTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increased consumer confusion in the retail level.

Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. HBO, Cinemax and the other programming mentioned above are very popular with the public. Many of the customers we talk to want these services and therefore are shying away from DirecTV. They do not like the idea of being billed from two separate sources for their monthly billing and don't understand why we can't provide this service to them. As a company we are also questioning why other distributors like PrimeStar, wireless, cable, etc. have access to this programming and we don't.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. This is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



Carl F. Bohman  
Vice President

CC:  
The Hon. Representative Russ Feingold  
The Hon. Senator Kohl  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong

CS 94-48

**MORGAN COUNTY RURAL ELECTRIC ASSOCIATION**

P.O. BOX 738 • FORT MORGAN, COLORADO 80701 • PHONE 303/867-5688

July 21, 1994

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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The Honorable Andrew C. Barrett  
Commissioner  
Federal Communications Commission  
1919 M Street, NW, Rm. 826  
Washington, DC 20554

Dear Commissioner Barrett:

I am writing to protest the fact that USSB (United States Satellite Broadcasting, Inc.) has "a lock" on certain popular channels like HBO and Showtime.

This rural electric cooperative is about to begin selling the new 18-inch DBS systems. Our principal source of subscription programming will be a company called *DirecTV*.

But *DirecTV* has not been able to acquire HBO and other premium channels because they are controlled by Time Warner and Viacom. Time Warner and Viacom are dealing exclusively with USSB.

We thought that sort of thing was supposed to end two years ago when the 1992 Cable Act was passed. For quite some time before that, TNT (Turner Network Television) was unavailable to rural electrics like us. But after the Cable Act became law, TNT somehow did make itself available to rural satellite TV owners.

I can't begin to tell you how much interest there is in DBS. I mean, right now today, out in the farms and ranches this cooperative serves, the number of channels & reception is not much different from what it was in 1965.

Based on our experience, with the phone ringing every day, we believe that DBS will bring satellite TV to hundreds of thousands of rural American homes. But we want our programming to be complete, without noticeable gaps. People know that HBO is everywhere, that even in little towns of 300 they have HBO on cable.

Please act to help rural people on this access issue. Folks in north-east Colorado (and probably a lot of people in a lot of other places) will appreciate your efforts. Thank you.

Sincerely,

Vernon M. Tryon  
Member Services Manager

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Nebraska  Rural Electric Association

800 South 13th Street Box 82048  
Lincoln, Nebraska 68601  
402/475-4988 FAX 402/475-0835

July 26, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554

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JUL 27 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Dear Chairman Hundt:

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I am writing you to express our strong support for the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

The Nebraska Rural Electric Association, along with many of its members, provide C-Band Satellite and Direct Broadcast Satellite (DBS) programming to the sparsely populated areas of rural Nebraska which do not have access to cable television. With the passage of Cable TV Consumer Protection Act of 1992 after many years of effort, and the override of the President's veto of that act, we hoped we had finally brought an end to the discriminatory practices of the cable programmers. These practices resulted in rural satellite TV viewers paying double or triple what cable consumers pay for programming, or being denied access to that programming entirely. Unfortunately, that hope has not yet been realized.

In Nebraska, DBS programming is being offered through both rural electric and rural telephone systems which are members of NRTC. Many of these rural telephone systems also provide cable TV service in towns they serve. They have been amazed to find that they have to pay more than twice as much for a DBS programming package than they do for a similar package of programs they buy as a cable company. The only basis for this discriminatory pricing is that the programming will be broadcast over a satellite system which is not controlled by the cable industry.

To make matters worse, NRTC, its members, and their consumers are being denied fair access to HBO, Showtime, and other Time Warner and Viacom programming in clear violation of the Cable Act of 1992. By entering into exclusive contracts with USSB and PrimeStar, cable companies are attempting to control and mold their competition so they can continue to exact unreasonable fees from rural satellite viewers, and put potential competitors at a price disadvantage.

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*Orig*

Representing Nebraska rural electric systems

The Honorable Reed Hundt  
July 26, 1994  
Page 2

The purpose of the Cable Act of 1992 was to inject competition into the distribution of multichannel video programming so that the nation's consumers, rural and urban, would benefit. Thus far, the nation's rural consumers have largely been denied any benefit from the Act. It is only through the Federal Communications Commission's (FCC) strict enforcement of the clear language of the Section 19 mandate that all distributors be granted nondiscriminatory access to cable programming that our consumers will realize the benefits Congress intended them to enjoy.

I urge the FCC to prohibit by rule all abuses of the program access provisions of the Cable Act of 1992 and make it clear that damages will be awarded for violation of these provisions.

Yours truly,



Jay Holmquist  
Government Relations Director

cc: The Honorable James H. Quello  
The Honorable Andrew C. Barrett  
The Honorable Susan Ness  
The Honorable Rachelle B. Chong  
William F. Caton

# Nodak

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July 21, 1994

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In contrast, none of the programming distribution contracts signed by DIRECTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access

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