**Attachment 9**
**Monthly Cable Rates and Price Per Channel**
**by Sample Group and Subgroup**
**January 1, 2002**

| Sample Groups & Subgroups | Statistics | Basic & Expanded Basic Service | Equipment | Monthly Cable Rate | Basic & Expanded Basic Channels | Price Per Channel |
|---|---|---|---|---|---|---|
| **Sample groups combined** | Average | **$36.12** | **$3.77** | **$39.89** | — | — |
| | *Observations* | *641* | *641* | *641* | — | — |
| | *Standard error* | *0.24* | *0.10* | *0.28* | — | — |
| **Noncompetitive group** | Average | **$36.21** | **$3.77** | **$39.97** | — | — |
| | *Observations* | *406* | *406* | *406* | — | — |
| | *Standard error* | *0.20* | *0.09* | *0.24* | — | — |
| **Competitive group** | Average | **$35.06** | **$3.88** | **$38.94** | — | — |
| | *Observations* | *235* | *235* | *235* | — | — |
| | *Standard error* | *0.72* | *0.23* | *0.79* | — | — |
| Wireline competition | Average | **$31.22** | **$3.67** | **$34.89** | — | — |
| | *Observations* | *115* | *115* | *115* | — | — |
| | *Standard error* | *0.66* | *0.21* | *0.73* | — | — |
| Wireline incumbent | Average | **$31.01** | **$3.85** | **$34.86** | — | — |
| | *Observations* | *65* | *65* | *65* | — | — |
| | *Standard error* | *0.64* | *0.20* | *0.70* | — | — |
| Wireline rival | Average | **$32.13** | **$2.89** | **$35.02** | — | — |
| | *Observations* | *50* | *50* | *50* | — | — |
| | *Standard error* | *0.74* | *0.27* | *0.86* | — | — |
| DBS competition * | Average | **$36.72** | **$3.57** | **$40.29** | — | — |
| | *Observations* | *52* | *52* | *52* | — | — |
| | *Standard error* | *0.85* | *0.27* | *0.91* | — | — |
| Wireless competition * | Average | **$38.80** | **$4.64** | **$43.44** | — | — |
| | *Observations* | *29* | *29* | *29* | — | — |
| | *Standard error* | *0.67* | *0.19* | *0.73* | — | — |
| Low penetration test | Average | **$34.95** | **$3.18** | **$38.12** | — | — |
| | *Observations* | *39* | *39* | *39* | — | — |
| | *Standard error* | *0.81* | *0.39* | *0.99* | — | — |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

| Attachment 10<br>Change in Monthly Revenue and Operating Expense per Subscriber<br>Excluding Corporate Overhead and Capital Expenses<br>All Cable Services, 2002 to 2003 | | | | | | |
|---|---|---|---|---|---|---|
| **Sample Groups & Subgroups** | **Statistics** | **Revenue** | **Total Operating Expense *** | **Basic & Expanded Basic Programming as a Component of Operating Expense** | | |
| | | | | **Total** | **Sports** | **News** |
| **Sample groups combined** | Average | $5.88 | $3.49 | $1.10 | $0.41 | $0.06 |
| | *Observations* | *589* | *589* | *589* | *589* | *589* |
| | *Standard error* | *0.37* | *0.24* | *0.07* | *0.03* | *0.01* |
| | 5% Trimmed | **$5.88** | **$3.24** | **$1.06** | **$0.39** | **$0.05** |
| **Noncompetitive group** | Average | $5.92 | $3.50 | $1.09 | $0.41 | $0.06 |
| | *Observations* | *376* | *376* | *376* | *376* | *376* |
| | *Standard error* | *0.28* | *0.18* | *0.06* | *0.02* | *0.01* |
| | 5% Trimmed | **$5.92** | **$3.22** | **$1.05** | **$0.38** | **$0.05** |
| **Competitive group** | Average | $5.40 | $3.40 | $1.19 | $0.42 | $0.07 |
| | *Observations* | *213* | *213* | *213* | *213* | *213* |
| | *Standard error* | *1.37* | *0.93* | *0.21* | *0.08* | *0.02* |
| | 5% Trimmed | **$5.43** | **$3.48** | **$1.21** | **$0.44** | **$0.07** |
| Wireline competition | Average | $5.14 | $2.68 | $1.12 | $0.38 | $0.06 |
| | *Observations* | *103* | *103* | *103* | *103* | *103* |
| | *Standard error* | *1.67* | *1.07* | *0.26* | *0.11* | *0.03* |
| | 5% Trimmed | **$5.55** | **$2.77** | **$1.22** | **$0.44** | **$0.06** |
| DBS competition ** | Average | $8.34 | $5.61 | $1.62 | $0.61 | $0.14 |
| | *Observations* | *45* | *45* | *45* | *45* | *45* |
| | *Standard error* | *1.15* | *0.84* | *0.20* | *0.06* | *0.03* |
| | 5% Trimmed | **$8.07** | **$5.59** | **$1.58** | **$0.61** | **$0.13** |
| Wireless competition ** | Average | $2.12 | $2.58 | $0.81 | $0.23 | $0.02 |
| | *Observations* | *29* | *29* | *29* | *29* | *29* |
| | *Standard error* | *1.16* | *0.61* | *0.17* | *0.05* | *0.01* |
| | 5% Trimmed | **$2.07** | **$2.49** | **$0.79** | **$0.22** | **$0.02** |
| Low penetration test | Average | $7.96 | -$0.14 | $1.25 | $0.55 | $0.09 |
| | *Observations* | *36* | *36* | *36* | *36* | *36* |
| | *Standard error* | *1.43* | *2.19* | *0.15* | *0.08* | *0.03* |
| | 5% Trimmed | **$7.10** | **$1.52** | **$1.26** | **$0.53** | **$0.06** |

* Operating Expense does not include the following expenses: Corporate overhead, depreciation and amortization, interest expense, losses from sale or disposition of property, and extraordinary expenses.

** These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system.

*Source:* Survey.

| Attachment 11<br>Service Installation Charges | | | | |
|---|---|---|---|---|
| **Sample Groups & Subgroups** | **Statistic** | **Service Installation: Unwired Residence** | **Service Installation: Pre-Wired Residence** | **Reconnection of Cable Service** |
| | | **January 1, 2004 *** | | |
| **Sample groups combined** | Average | **$45.03** | **$31.25** | **$28.60** |
| | *Observations* | *641* | *641* | *641* |
| | *Standard error* | *0.49* | *0.43* | *0.40* |
| Noncompetitive group | Average | **$45.19** | **$31.24** | **$28.71** |
| | *Observations* | *406* | *406* | *406* |
| | *Standard error* | *0.43* | *0.36* | *0.36* |
| Competitive group | Average | **$43.25** | **$31.47** | **$27.43** |
| | *Observations* | *235* | *235* | *235* |
| | *Standard error* | *1.19* | *1.30* | *0.88* |
| Wireline competition | Average | **$43.00** | **$31.57** | **$26.76** |
| | *Observations* | *115* | *115* | *115* |
| | *Standard error* | *1.22* | *1.31* | *0.88* |
| Wireline incumbent | Average | **$44.40** | **$31.16** | **$26.66** |
| | *Observations* | *65* | *65* | *65* |
| | *Standard error* | *0.71* | *0.87* | *0.66* |
| Wireline rival | Average | **$36.79** | **$33.36** | **$27.17** |
| | *Observations* | *50* | *50* | *50* |
| | *Standard error* | *3.46* | *3.28* | *1.84* |
| DBS competition *** | Average | **$41.20** | **$32.41** | **$29.36** |
| | *Observations* | *52* | *52* | *52* |
| | *Standard error* | *1.28* | *1.19* | *0.84* |
| Wireless competition *** | Average | **$45.58** | **$29.73** | **$25.80** |
| | *Observations* | *29* | *29* | *29* |
| | *Standard error* | *0.86* | *1.26* | *0.74* |
| Low penetration test | Average | **$45.04** | **$34.90** | **$30.34** |
| | *Observations* | *39* | *39* | *39* |
| | *Standard error* | *2.42* | *2.15* | *1.99* |
| | | **July 1, 2002 **** | | |
| Sample groups combined | Average | $41.30 | $29.09 | $26.03 |
| Noncompetitive group | Average | $41.85 | $29.44 | $26.28 |
| Competitive group | Average | $37.95 | $27.23 | $25.10 |

* *Source:* Survey.

** From previous survey for comparison. *Source:* Survey *and Statistical Report on Average Rates for Basic Service, Cable Programming Service, and Equipment,* 17 FCC Rcd 6301 (2002).

*** These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system.

**Attachment 12**
**Digital Television Service**
**Monthly Cable Rate & Price Per Channel**
**January 1, 2004**

| Sample Groups & Subgroups | Statistic | Major Digital Tier | Digital Converter & Remote Control | Monthly Price | Channels on Major Digital Tier | Price Per Digital Channel |
|---|---|---|---|---|---|---|
| **Sample groups combined** | Average | **$10.72** | **$5.33** | **$16.05** | **31.6** | **$0.583** |
| | *Observations* | *600* | *600* | *600* | *600* | *599* |
| | *Standard error* | *0.33* | *0.10* | *0.30* | *0.7* | *0.016* |
| **Noncompetitive group** | Average | **$10.79** | **$5.30** | **$16.09** | **31.4** | **$0.588** |
| | *Observations* | *393* | *393* | *393* | *393* | *392* |
| | *Standard error* | *0.29* | *0.09* | *0.27* | *0.6* | *0.015* |
| **Competitive group** | Average | **$9.93** | **$5.66** | **$15.58** | **33.9** | **$0.524** |
| | *Observations* | *207* | *207* | *207* | *207* | *207* |
| | *Standard error* | *0.81* | *0.24* | *0.72* | *1.8* | *0.035* |
| Wireline competition | Average | **$9.96** | **$5.68** | **$15.64** | **33.8** | **$0.513** |
| | *Observations* | *99* | *99* | *99* | *99* | *99* |
| | *Standard error* | *0.61* | *0.22* | *0.58* | *1.4* | *0.029* |
| Wireline incumbent | Average | **$8.70** | **$5.55** | **$14.26** | **33.5** | **$0.483** |
| | *Observations* | *64* | *64* | *64* | *64* | *64* |
| | *Standard error* | *0.49* | *0.19* | *0.44* | *1.5* | *0.027* |
| Wireline rival | Average | **$15.54** | **$6.24** | **$21.78** | **35.0** | **$0.645** |
| | *Observations* | *35* | *35* | *35* | *35* | *35* |
| | *Standard error* | *1.11* | *0.38* | *1.21* | *1.3* | *0.037* |
| DBS competition * | Average | **$9.55** | **$5.58** | **$15.13** | **39.0** | **$0.424** |
| | *Observations* | *49* | *49* | *49* | *49* | *49* |
| | *Standard error* | *0.99* | *0.23* | *0.88* | *1.8* | *0.028* |
| Wireless competition * | Average | **$10.68** | **$5.52** | **$16.20** | **29.2** | **$0.643** |
| | *Observations* | *29* | *29* | *29* | *29* | *29* |
| | *Standard error* | *0.87* | *0.23* | *0.68* | *2.0* | *0.051* |
| Low penetration test | Average | **$7.49** | **$6.78** | **$14.27** | **29.1** | **$0.571** |
| | *Observations* | *30* | *30* | *30* | *30* | *30* |
| | *Standard error* | *0.95* | *0.36* | *1.04* | *2.5* | *0.044* |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

| Attachment 13<br>Digital Television Service<br>Monthly Cable Rate & Price Per Channel<br>January 1, 2003 | | | | | | |
|---|---|---|---|---|---|---|
| **Sample Groups & Subgroups** | **Statistic** | **Major Digital Tier** | **Digital Converter & Remote Control** | **Monthly Price** | **Channels on Major Digital Tier** | **Price Per Digital Channel** |
| **Sample groups combined** | Average | **$10.08** | **$5.12** | **$15.20** | **27.4** | **$0.682** |
| | *Observations* | *561* | *561* | *561* | *561* | *557* |
| | *Standard error* | *0.30* | *0.10* | *0.27* | *0.8* | *0.022* |
| **Noncompetitive group** | Average | **$10.21** | **$5.08** | **$15.29** | **27.3** | **$0.686** |
| | *Observations* | *370* | *370* | *370* | *370* | *366* |
| | *Standard error* | *0.27* | *0.09* | *0.24* | *0.7* | *0.019* |
| **Competitive group** | Average | **$8.60** | **$5.59** | **$14.19** | **28.4** | **$0.636** |
| | *Observations* | *191* | *191* | *191* | *191* | *191* |
| | *Standard error* | *0.65* | *0.23* | *0.61* | *2.0* | *0.054* |
| Wireline competition | Average | **$9.13** | **$5.43** | **$14.56** | **28.8** | **$0.641** |
| | *Observations* | *95* | *95* | *95* | *95* | *95* |
| | *Standard error* | *0.66* | *0.22* | *0.66* | *1.8* | *0.050* |
| Wireline incumbent | Average | **$8.17** | **$5.26** | **$13.43** | **29.5** | **$0.581** |
| | *Observations* | *63* | *63* | *63* | *63* | *63* |
| | *Standard error* | *0.56* | *0.20* | *0.55* | *1.7* | *0.046* |
| Wireline rival | Average | **$13.38** | **$6.20** | **$19.59** | **25.5** | **$0.906** |
| | *Observations* | *32* | *32* | *32* | *32* | *32* |
| | *Standard error* | *1.08* | *0.34* | *1.17* | *2.2* | *0.068* |
| DBS competition * | Average | **$6.60** | **$5.72** | **$12.32** | **31.8** | **$0.455** |
| | *Observations* | *38* | *38* | *38* | *38* | *38* |
| | *Standard error* | *0.45* | *0.23* | *0.46* | *2.0* | *0.035* |
| Wireless competition * | Average | **$10.23** | **$5.50** | **$15.73** | **24.5** | **$0.829** |
| | *Observations* | *28* | *28* | *28* | *28* | *28* |
| | *Standard error* | *0.84* | *0.22* | *0.66* | *2.3* | *0.081* |
| Low penetration test | Average | **$7.44** | **$6.60** | **$14.03** | **25.8** | **$0.633** |
| | *Observations* | *30* | *33* | *30* | *30* | *30* |
| | *Standard error* | *0.80* | *0.34* | *0.87* | *2.1* | *0.049* |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

| Attachment 14<br>Digital Television Service<br>Monthly Cab[illegible]e & Price Per Channel<br>January 1, 2002 | | | | | | |
|---|---|---|---|---|---|---|
| **Sample Groups & Subgroups** | **Statistic** | **Major Digital Tier** | **Digital Converter & Remote Control** | **Monthly Price** | **Channels on Major Digital Tier** | **Price Per Digital Channel** |
| **Sample groups combined** | Average | **$9.61** | **$4.87** | **$14.48** | --- | --- |
| | *Observations* | *511* | *511* | *511* | --- | --- |
| | *Standard error* | *0.30* | *0.11* | *0.28* | --- | --- |
| **Noncompetitive group** | Average | **$9.72** | **$4.84** | **$14.56** | --- | --- |
| | *Observations* | *335* | *335* | *335* | --- | --- |
| | *Standard error* | *0.27* | *0.09* | *0.24* | --- | --- |
| **Competitive group** | Average | **$8.29** | **$5.24** | **$13.54** | --- | --- |
| | *Observations* | *176* | *176* | *176* | --- | --- |
| | *Standard error* | *0.65* | *0.23* | *0.66* | --- | --- |
| Wireline competition | Average | **$8.62** | **$5.07** | **$13.68** | --- | --- |
| | *Observations* | *86* | *86* | *86* | --- | --- |
| | *Standard error* | *0.67* | *0.23* | *0.71* | --- | --- |
| Wireline incumbent | Average | **$7.80** | **$4.85** | **$12.65** | --- | --- |
| | *Observations* | *56* | *56* | *56* | --- | --- |
| | *Standard error* | *0.56* | *0.20* | *0.60* | --- | --- |
| Wireline rival | Average | **$12.24** | **$6.04** | **$18.27** | --- | --- |
| | *Observations* | *30* | *30* | *30* | --- | --- |
| | *Standard error* | *1.16* | *0.36* | *1.22* | --- | --- |
| DBS competition * | Average | **$6.33** | **$5.70** | **$12.03** | --- | --- |
| | *Observations* | *35* | *35* | *35* | --- | --- |
| | *Standard error* | *0.39* | *0.27* | *0.41* | --- | --- |
| Wireless competition * | Average | **$10.21** | **$4.78** | **$15.00** | --- | --- |
| | *Observations* | *27* | *27* | *27* | --- | --- |
| | *Standard error* | *0.90* | *0.17* | *0.86* | --- | --- |
| Low penetration test | Average | **$6.86** | **$6.57** | **$13.43** | --- | --- |
| | *Observations* | *28* | *28* | *28* | --- | --- |
| | *Standard error* | *0.72* | *0.39* | *0.83* | --- | --- |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

| Attachment 15<br>Cable System Operating Capacity | | | | | |
|---|---|---|---|---|---|
| Sample Groups & Subgroups | Statistics | Capacity in MHz | Percent of Subscribers Served by Systems With Capacity of | | |
| | | | 212 to 749 MHz | 750 MHz | 751 to 870 MHz |
| **January 1, 2004 *** | | | | | |
| **Sample groups combined** | Average | **734** | **14.3%** | **59.6%** | **26.1%** |
| | *Observations* | *641* | *641* | *641* | *641* |
| | *Standard error* | *7.0* | *0.020* | *0.028* | *0.024* |
| **Noncompetitive group** | Average | **734** | **14.3%** | **59.3%** | **26.4%** |
| | *Observations* | *406* | *406* | *406* | *406* |
| | *Standard error* | *6.1* | *0.017* | *0.024* | *0.022* |
| **Competitive group** | Average | **734** | **14.5%** | **62.4%** | **23.1%** |
| | *Observations* | *235* | *235* | *235* | *235* |
| | *Standard error* | *17.2* | *0.052* | *0.067* | *0.054* |
| Wireline combined | Average | **745** | **10.6%** | **63.5%** | **25.9%** |
| | *Observations* | *115* | *115* | *115* | *115* |
| | *Standard error* | *13.6* | *0.040* | *0.061* | *0.056* |
| Wireline incumbent | Average | **746** | **10.8%** | **61.5%** | **27.7%** |
| | *Observations* | *65* | *65* | *65* | *65* |
| | *Standard error* | *13.0* | *0.039* | *0.061* | *0.056* |
| Wireline rival | Average | **739** | **10.0%** | **72.0%** | **18.0%** |
| | *Observations* | *50* | *50* | *50* | *50* |
| | *Standard error* | *15.9* | *0.043* | *0.064* | *0.055* |
| DBS Competition *** | Average | **750** | **15.4%** | **46.1%** | **38.5%** |
| | *Observations* | *52* | *52* | *52* | *52* |
| | *Standard error* | *19.3* | *0.051* | *0.070* | *0.068* |
| Wireless Competition *** | Average | **718** | **13.8%** | **82.8%** | **3.4%** |
| | *Observations* | *29* | *29* | *29* | *29* |
| | *Standard error* | *18.2* | *0.065* | *0.071* | *0.034* |
| Low penetration test | Average | **627** | **46.2%** | **38.4%** | **15.4%** |
| | *Observations* | *39* | *39* | *39* | *39* |
| | *Standard error* | *29.2* | *0.081* | *0.079* | *0.059* |
| **July 1, 2002 **** | | | | | |
| Sample groups combined | Average | 694 | 26.6% | 55.6% | 17.8% |
| Noncompetitive group | Average | 696 | 26.6% | 55.2% | 18.2% |
| Competitive group | Average | 677 | 27.3% | 61.1% | 11.6% |
| **July 1, 1999 **** | | | | | |
| Sample groups combined | Average | 534 | 53.9% | 44.4% | 1.7% |
| Noncompetitive group | Average | 532 | 54.2% | 44.0% | 1.8% |
| Competitive group | Average | 619 | 44.1% | 55.9% | 0.0% |

* *Source:* Survey.

** Results from previous surveys, presented for comparison. *Source:* Survey *and Statistical Report on Average Rates for Basic Service, Cable Programming Service, and Equipment,* 17 FCC Rcd 6301 (2002); 15 FCC Rcd 10927 (2000).

*** These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system.

**Attachment 16**
**Percent of Subscribers Offered Digital Programming and Advanced Services and Percent of Those Subscribers Taking Services**

| Sample Groups & Subgroups | Statistic | Digital Programming | | Cable Internet Access | | Telephony | |
|---|---|---|---|---|---|---|---|
| | | Percent Offered | Of Those, Percent Subscribing | Percent Offered | Of Those, Percent Subscribing* | Percent Offered | Of Those, Percent Subscribing* |
| **January 1, 2004** | | | | | | | |
| **Sample groups** | Average | **97.3%** | **35.2%** | **94.8%** | **26.1%** | **28.5%** | **12.9%** |
| | *Observations* | 656 | 613 | 641 | 597 | 641 | 170 |
| | *Standard error* | 0.01 | 0.01 | 0.01 | 0.01 | 0.03 | 0.02 |
| | 5% Trimmed | 99.9% | 35.0% | 99.6% | 25.7% | 26.1% | 11.4% |
| **Noncompetitive group** | Average | **97.3%** | **34.9%** | **94.8%** | **26.0%** | **28.8%** | **12.1%** |
| | *Observations* | 406 | 395 | 406 | 385 | 406 | 117 |
| | *Standard error* | 0.01 | 0.01 | 0.01 | 0.01 | 0.02 | 0.01 |
| | 5% Trimmed | 100.0% | 34.7% | 99.8% | 25.7% | 26.5% | 10.5% |
| **Competitive group** | Average | **96.9%** | **37.7%** | **93.9%** | **26.7%** | **24.9%** | **22.0%** |
| | *Observations* | 250 | 218 | 235 | 212 | 235 | 53 |
| | *Standard error* | 0.01 | 0.02 | 0.03 | 0.02 | 0.06 | 0.08 |
| | 5% Trimmed | 98.5% | 37.8% | 97.6% | 26.4% | 22.5% | 21.7% |
| Wireline combined | Average | **97.1%** | **34.8%** | **97.3%** | **30.3%** | **23.1%** | **32.9%** |
| | *Observations* | 130 | 107 | 115 | 110 | 115 | 29 |
| | *Standard error* | 0.01 | 0.02 | 0.02 | 0.02 | 0.05 | 0.05 |
| | 5% Trimmed | 97.8% | 34.9% | 99.4% | 30.2% | 20.1% | 32.2% |
| Wireline incumbent | Average | **100.0%** | **36.7%** | **98.5%** | **27.1%** | **21.5%** | **20.4%** |
| | *Observations* | 65 | 65 | 65 | 64 | 65 | 14 |
| | *Standard error* | 0.00 | 0.02 | 0.02 | 0.02 | 0.05 | 0.05 |
| | 5% Trimmed | 100.0% | 37.2% | 100.0% | 27.2% | 18.4% | 19.7% |
| Wireline rival | Average | **84.0%** | **26.4%** | **92.0%** | **44.8%** | **30.0%** | **88.2%** |
| | *Observations* | 65 | 42 | 50 | 46 | 50 | 15 |
| | *Standard error* | 0.05 | 0.04 | 0.04 | 0.03 | 0.07 | 0.08 |
| | 5% Trimmed | 87.8% | 24.6% | 96.7% | 44.0% | 27.8% | 88.1% |
| DBS competition ** | Average | **96.2%** | **40.5%** | **94.2%** | **25.4%** | **3.8%** | **16.5%** |
| | *Observations* | 52 | 50 | 52 | 49 | 52 | 2 |
| | *Standard error* | 0.03 | 0.02 | 0.03 | 0.02 | 0.03 | 0.16 |
| | 5% Trimmed | 100.0% | 40.5% | 99.1% | 25.1% | 0.0% | 16.5% |
| Wireless competition ** | Average | **100.0%** | **38.4%** | **93.1%** | **22.6%** | **51.7%** | **8.6%** |
| | *Observations* | 29 | 29 | 29 | 27 | 29 | 15 |
| | *Standard error* | 0.00 | 0.02 | 0.05 | 0.02 | 0.09 | 0.01 |
| | 5% Trimmed | 100.0% | 38.8% | 97.9% | 22.4% | 51.9% | 8.4% |
| Low penetration test | Average | **82.1%** | **40.2%** | **66.7%** | **27.4%** | **17.9%** | **45.1%** |
| | *Observations* | 39 | 32 | 39 | 26 | 39 | 7 |
| | *Standard error* | 0.06 | 0.04 | 0.08 | 0.03 | 0.06 | 0.15 |
| | 5% Trimmed | 85.6% | 39.2% | 68.5% | 26.3% | 14.4% | 44.2% |

* While share is calculated in this attachment as the percent of Internet or telephony subscribers to basic service subscribers, we note that a small percentage of advanced services subscribers do not subscribe to cable television service. This percentage was estimated as of July 2002 to be 3.4% regarding cable Internet access. *See Statistical Report on Average Rates for Basic Service, Cable Programming Service, and Equipment*, 18 FCC Rcd 13284 n.16 (2003).

** These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system.

*Source:* Survey.

| Attachment 17<br>Number of Channels<br>January 1, 2004 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Sample Groups & Subgroups | Statistic | Analog Channels | | | Digital Channels | | |
| | | Basic & Expanded Basic | Premium, Pay, & Mini Tiers | Total | Major Digital Tier | Premium, Pay, & Mini Tiers | Total |
| **Sample groups combined** | Average | **70.3** | **3.0** | **73.3** | **31.6** | **118.5** | **150.1** |
| | *Observations* | *641* | *641* | *641* | *600* | *600* | *600* |
| | *Standard error* | *0.6* | *0.3* | *0.6* | *0.7* | *2.8* | *3.0* |
| **Noncompetitive group** | Average | **70.1** | **3.1** | **73.2** | **31.4** | **118.0** | **149.4** |
| | *Observations* | *406* | *406* | *406* | *393* | *393* | *393* |
| | *Standard error* | *0.5* | *0.3* | *0.6* | *0.6* | *2.5* | *2.6* |
| **Competitive group** | Average | **72.5** | **2.2** | **74.7** | **33.9** | **123.8** | **157.7** |
| | *Observations* | *235* | *235* | *235* | *207* | *207* | *207* |
| | *Standard error* | *1.3* | *0.5* | *1.4* | *1.8* | *7.0* | *7.7* |
| Wireline competition | Average | **74.9** | **3.5** | **78.4** | **33.8** | **120.7** | **154.5** |
| | *Observations* | *115* | *115* | *115* | *99* | *99* | *99* |
| | *Standard error* | *1.2* | *0.6* | *1.3* | *1.4* | *5.6* | *6.2* |
| Wireline incumbent | Average | **75.3** | **2.1** | **77.4** | **33.5** | **129.0** | **162.5** |
| | *Observations* | *65* | *65* | *65* | *64* | *64* | *64* |
| | *Standard error* | *1.1* | *0.5* | *1.2* | *1.5* | *5.9* | *6.6* |
| Wireline rival | Average | **72.8** | **9.9** | **82.6** | **35.0** | **84.2** | **119.2** |
| | *Observations* | *50* | *50* | *50* | *35* | *35* | *35* |
| | *Standard error* | *1.5* | *1.4* | *1.9* | *1.3* | *4.0* | *4.4* |
| DBS competition * | Average | **70.5** | **1.3** | **71.8** | **39.0** | **104.8** | **143.8** |
| | *Observations* | *52* | *52* | *52* | *49* | *49* | *49* |
| | *Standard error* | *2.0* | *0.4* | *2.0* | *1.8* | *7.2* | *8.3* |
| Wireless competition * | Average | **72.9** | **1.2** | **74.1** | **29.2** | **155.4** | **184.7** |
| | *Observations* | *29* | *29* | *29* | *29* | *29* | *29* |
| | *Standard error* | *0.5* | *0.5* | *0.6* | *2.0* | *8.3* | *8.7* |
| Low penetration test | Average | **62.2** | **2.3** | **64.4** | **29.1** | **84.1** | **113.2** |
| | *Observations* | *39* | *39* | *39* | *30* | *30* | *30* |
| | *Standard error* | *2.4* | *0.6* | *2.5* | *2.5* | *9.4* | *10.5* |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

| Attachment 18<br>Number of Channels<br>January 1, 2003 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Sample Groups & Subgroups** | **Statistic** | **Analog Channels** | | | **Digital Channels** | | |
| | | **Basic & Expanded Basic** | **Premium, Pay, & Mini Tiers** | **Total** | **Major Digital Tier** | **Premium, Pay, & Mini Tiers** | **Total** |
| **Sample groups combined** | Average | **67.5** | **5.6** | **73.1** | **27.4** | **109.0** | **136.4** |
| | *Observations* | *641* | *641* | *641* | *561* | *561* | *561* |
| | *Standard error* | *0.6* | *0.3* | *0.7* | *0.8* | *2.7* | *3.0* |
| **Noncompetitive group** | Average | **67.3** | **5.6** | **73.0** | **27.3** | **108.8** | **136.0** |
| | *Observations* | *406* | *406* | *406* | *370* | *370* | *370* |
| | *Standard error* | *0.5* | *0.3* | *0.6* | *0.7* | *2.5* | *2.7* |
| **Competitive group** | Average | **69.7** | **4.7** | **74.4** | **28.4** | **112.2** | **[illegible]0.6** |
| | *Observations* | *235* | *235* | *235* | *191* | *191* | *191* |
| | *Standard error* | *1.3* | *0.7* | *1.5* | *2.0* | *5.7* | *6.7* |
| Wireline competition | Average | **71.2** | **6.9** | **78.2** | **28.8** | **119.4** | **148.2** |
| | *Observations* | *115* | *115* | *115* | *95* | *95* | *95* |
| | *Standard error* | *0.9* | *0.9* | *1.3* | *1.8* | *5.3* | *5.8* |
| Wireline incumbent | Average | **71.5** | **6.1** | **77.6** | **29.5** | **125.2** | **154.7** |
| | *Observations* | *65* | *65* | *65* | *63* | *63* | *63* |
| | *Standard error* | *0.8* | *0.8* | *1.2* | *1.7* | *5.4* | *6.1* |
| Wireline rival | Average | **69.9** | **10.5** | **80.5** | **25.5** | **93.8** | **119.3** |
| | *Observations* | *50* | *50* | *50* | *32* | *32* | *32* |
| | *Standard error* | *1.5* | *1.4* | *1.9* | *2.2* | *4.5* | *4.4* |
| DBS competition * | Average | **67.7** | **2.1** | **69.8** | **31.8** | **90.3** | **122.0** |
| | *Observations* | *52* | *52* | *52* | *38* | *38* | *38* |
| | *Standard error* | *2.0* | *0.4* | *2.1* | *2.0* | *6.7* | *7.9* |
| Wireless competition * | Average | **71.2** | **4.7** | **75.9** | **24.5** | **131.9** | **156.4** |
| | *Observations* | *29* | *29* | *29* | *28* | *28* | *28* |
| | *Standard error* | *0.7* | *0.8* | *0.9* | *2.3* | *4.8* | *6.2* |
| Low penetration test | Average | **60.1** | **2.6** | **62.8** | **25.8** | **76.4** | **102.2** |
| | *Observations* | *39* | *39* | *39* | *30* | *30* | *30* |
| | *Standard error* | *2.3* | *0.6* | *2.3* | *2.1* | *7.9* | *8.9* |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

**Attachment 19**
**Number of Local Channels**
**On Basic & Expanded Basic**
**January 1, 2004**

| Sample Groups & Subgroups | Statistic | Local Broadcast Stations | Public, Ed., & Govt. | Local Leased Access | Other Local Channels | Total Local Channels |
|---|---|---|---|---|---|---|
| **Sample groups combined** | Average | **12.2** | **2.7** | **0.8** | **1.3** | **16.9** |
| | *Observations* | *641* | *641* | *641* | *641* | *641* |
| | *Standard error* | *0.3* | *0.1* | *0.1* | *0.1* | *0.3* |
| **Noncompetitive group** | Average | **12.2** | **2.7** | **0.8** | **1.3** | **16.9** |
| | *Observations* | *406* | *406* | *406* | *406* | *406* |
| | *Standard error* | *0.2* | *0.1* | *0.1* | *0.1* | *0.3* |
| **Competitive group** | Average | **12.3** | **2.5** | **0.8** | **1.3** | **16.9** |
| | *Observations* | *235* | *235* | *235* | *235* | *235* |
| | *Standard error* | *0.5* | *0.3* | *0.1* | *0.2* | *0.7* |
| Wireline competition | Average | **11.3** | **2.9** | **0.7** | **1.0** | **15.9** |
| | *Observations* | *115* | *115* | *115* | *115* | *115* |
| | *Standard error* | *0.4* | *0.3* | *0.1* | *0.2* | *0.6* |
| Wireline incumbent | Average | **11.5** | **3.0** | **0.7** | **1.1** | **16.3** |
| | *Observations* | *65* | *65* | *65* | *65* | *65* |
| | *Standard error* | *0.5* | *0.3* | *0.1* | *0.2* | *0.6* |
| Wireline rival | Average | **10.3** | **2.4** | **0.7** | **0.4** | **13.7** |
| | *Observations* | *50* | *50* | *50* | *50* | *50* |
| | *Standard error* | *0.4* | *0.2* | *0.2* | *0.1* | *0.5* |
| DBS competition * | Average | **14.2** | **1.8** | **0.9** | **0.6** | **17.5** |
| | *Observations* | *52* | *52* | *52* | *52* | *52* |
| | *Standard error* | *0.8* | *0.2* | *0.2* | *0.1* | *0.9* |
| Wireless competition * | Average | **11.9** | **2.8** | **0.6** | **2.8** | **18.1** |
| | *Observations* | *29* | *29* | *29* | *29* | *29* |
| | *Standard error* | *0.4* | *0.3* | *0.1* | *0.3* | *0.6* |
| Low penetration test | Average | **11.0** | **1.9** | **0.6** | **0.7** | **14.2** |
| | *Observations* | *39* | *39* | *39* | *39* | *39* |
| | *Standard error* | *0.6* | *0.3* | *0.1* | *0.2* | *0.7* |

* These averages include cable system prices in communities with an Effective Competition finding based on DBS or wireless competition, but not the prices charged by the competing DBS or wireless system. *Source:* Survey.

**JOINT STATEMENT OF COMMISSIONERS MICHAEL J. COPPS AND JONATHAN S. ADELSTEIN CONCURRING**

*Re:* *Implementation of Section 3 of the Cable Television Consumer Protection and Competition Act of 1992; Statistical Report on Average Rates for Basic Service Cable Programming Service and Equipment*

*Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming*

In Sections 623(k) and 628(g), Congress charged the Commission with reporting annually on cable rates and on the status of competition in the market for the delivery of video programming. As the government's expert agency, Congress expected the Commission to gather comprehensive data and subject it to in-depth analysis in these reports. Unfortunately, in these reports, the Commission gathers less than adequate data and conducts less analysis than it did even a few years ago. At a time of significant increases in rates year after year, Congress and consumers deserve a better effort from the FCC.

We took issue with our Report on cable rates last year because we believed the analysis was insufficient. At that time, the Commission recognized the report's shortcomings, noting that "in several previous surveys, we included an econometric analysis of the survey results." The Commission further stated its "plan to resume the econometric analysis in subsequent reports." Yet, this year, the Commission again fails to conduct this analysis which in the past has provided information on specific factors that influence rate increases and the extent of that influence. Moreover, the Commission once again did not audit any of its results, notwithstanding problems with our methodology disclosed in a recent report from the General Accounting Office.

We remain concerned that this year's competition report continues to serve mainly as a recitation of the record rather than providing an in-depth analysis of the status of competition. As with last year's version, this report fails to examine adequately the circumstances that distinguish those places where competition is occurring and those where it is not, and to evaluate barriers to greater competition. And it fails to consider sufficiently many of the important issues raised in the Notice, such as the impact of increasing vertical and horizontal consolidation of our media. In sum, the report seldom delves beneath the surface.

In part, the fault lies with the limited data we received in response to our notices. But it is also incumbent on the Commission to undertake a pro-active and comprehensive information-gathering effort and then to commit the resources necessary to analyze the data.

We recognize that there have been some positive steps in these reports in response to previous criticisms. For example, we are pleased that we have at long last begun to analyze what is happening in other countries. In addition, we are also pleased that we have added a separate section that focuses specifically on video program distribution in rural areas. In future years, we would like to see us build on the discussions here.

Finally, notwithstanding the concerns we have expressed with our reports, none of our comments should take away from the large investments that have been made by those that deliver video programming. Nor do our concerns with the reports diminish the benefits American consumers receive as new services are deployed. These investments and services come not only from existing participants in the market but from telephone companies and others that are expanding their efforts to deliver video programming. These reports serve as the factual foundation for many Commission decisions as well as providing Congress with statutorily-mandated information that can inform the national policy debate. We have an obligation to do more to gather accurate and complete data as well as provide the information and analysis that Congress required.