BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of: 2006 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 To: The Secretary	MB Docket No. 06-121 MB Docket No. 02-277

REPLY COMMENTS OF
CEQUEL COMMUNICATIONS, LLC D/B/A SUDDENLINK COMMUNICATIONS

Cequel Communications, LLC d/b/a/ Suddenlink Communications ("Suddenlink") hereby submits these Reply Comments in the above-referenced proceeding. In its initial Comments, Suddenlink focused on its recent experience negotiating for retransmission consent with the Sinclair Broadcast Group ("Sinclair"), the entity controlling retransmission consent for two of Charleston, West Virginia's "top-four" broadcast stations – WCHS (ABC) and WVHS (Fox). Based on that experience and the potential adverse impact on consumers, Suddenlink urged the Commission to retain and strengthen its existing ownership regulations governing top-four broadcast stations. Suddenlink specifically recommended that the Commission prohibit top-four broadcast stations in the same television market from formally or informally combining their retransmission consent demands.

Not surprisingly, Sinclair's Comments urge the Commission to relax existing broadcast ownership regulations. Sinclair's Comments are troubling, because they entirely ignore the retransmission consent issue and effectively misrepresent the record regarding Sinclair's business operations. Sinclair boasts that its operation of two top-four stations in Charleston, West Virginia (and two other markets in Ohio) has never triggered any complaints. Its Comments erroneously assert, "To Sinclair's knowledge, no advertiser or competitor has ever raised a complaint or expressed a concern about any anticompetitive result...."[1] In fact, Suddenlink filed an Emergency Retransmission Consent Complaint last summer expressing considerable concern regarding Sinclair's Charleston, West Virginia operations.[2]

As explained in Suddenlink's initial Comments, "combining local retransmission consent efforts (whether through direct ownership, a comprehensive LMA, or *ad hoc* collaboration) necessarily affords broadcasters increased leverage *vis a vis* a local cable operator."[3] Suddenlink's recent experience with Sinclair's *de facto* duopoly in Charleston, West Virginia (as described in Suddenlink's Complaint) demonstrates all too clearly the sort of adverse impact the consolidation of top-four stations within a television market is likely to have on future retransmission consent negotiations.

---

[1] Sinclair Comments at 36. *Id.* at 10 ("Importantly, to Sinclair's knowledge, no advertiser or competitor in any of the markets has ever raised a complaint or expressed a concern about any anticompetitive result of those LMAs.")

[2] *See* Emergency Retransmission Consent Complaint, CSR-7038-C (filed Jul. 5, 2006).

[3] Suddenlink Comments at 7.

Significantly, Sinclair itself concedes that the "duty [of the Commission] as an agency runs to consumers...."[4] This concession cannot be reconciled with Sinclair's blatant disregard for the adverse impact its own escalating retransmission consent demands pose for consumers. Ironically, Sinclair's conspicuous avoidance of any discussion of retransmission consent costs in its Comments simply confirms that the Commission should include careful consideration of this critical consumer issue in this proceeding. It must be remembered that, at one point, Sinclair was seeking retransmission consent fees for its two top-four Charleston, West Virginia stations consisting of a $200 per subscriber / $40 million total upfront payment plus a recurring $1 per subscriber monthly fee.[5] Rather than relax the ownership rules currently governing top-four broadcast stations, Suddenlink reiterates here that top-four stations within a single television market should be prohibited from exercising any formal or informal combination of retransmission consent authority.

Respectfully submitted,

Cequel Communications, LLC
d/b/a Suddenlink Communications

By: _____

Steven J. Horvitz
DAVIS WRIGHT TREMAINE LLP
1919 Pennsylvania Avenue, NW
Suite 200
Washington, DC 20006
(202) 659-9750
Its Attorneys

January 16, 2007

---

[4] Sinclair Comments at 30 (*quoting* 2002 Biennial Review at ¶ 68.)

[5] Emergency Retransmission Consent Complaint, CSR-7038-C at 1-2, 5-6 (filed Jul. 5, 2006)