

HARRY TEAGUE
2ND DISTRICT, NEW MEXICO



COMMITTEE:
TRANSPORTATION AND
INFRASTRUCTURE

SUBCOMMITTEES:
RAILROADS, PIPELINES, AND
HAZARDOUS MATERIALS

WATER, RESOURCES AND ENVIRONMENT

VETERANS' AFFAIRS
ECONOMIC OPPORTUNITY

HEALTH

FILED/ACCEPTED

MAY 17 2010

Federal Communications Commission
Office of the Secretary

WASHINGTON OFFICE:
1007 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-2366
FAX: (202) 225-9599
<http://teague.house.gov>

Congress of the United States

House of Representatives

Washington, DC 20515-3102

May 7, 2010

The Honorable Julius Genachowski, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Genachowski:

As the Commission moves forward on its National Broadband Plan proceedings, its retransmission consent rulemaking, and its review of the Comcast-NBCU joint venture, I want to stress to you and the other Commissioners that it is a priority for me to ensure that all of my constituents, including those living in smaller markets and rural areas that are being served by smaller operators, have access to affordable video, voice, and broadband services.

I was concerned to hear from some of the state's smaller operators that they are paying significantly higher rates for programming than larger operators. These smaller operators have significantly less leverage in their negotiations compared to larger operators and have to buy their content from large companies who possess significant market power. As a result, they often end up paying more than larger companies for the same programs. This inevitably impacts consumers, which means my rural constituents who are served by these operators are unfairly paying higher prices for programming. While I believe the market is always the preferred method for determining appropriate prices, I question whether today's video programming market is functioning properly for all consumers and businesses involved.

I've been told federal rules and regulations have not kept up with the rapidly changing video programming market, which may be to blame for the rampant price discrimination. Retransmission consent rules created in the early 1990s have not been substantially modernized by the Commission in more than a decade. And, the "volume discount loophole" in the program access rules has been exploited by programmers affiliated with pay television providers for just as long.

As you move forward with your work on the National Broadband Plan, the retransmission consent rulemaking, and the Comcast-NBCU transaction, I ask that you take these concerns into account. These proceedings provide an opportunity for the Commission to examine whether the market is operating fairly, particularly for smaller operators and their customers in more rural areas. Thank you for your consideration of my request.

DISTRICT OFFICES:

200 EAST BROADWAY, SUITE 200
HOBBS, NM 88240
PHONE: (575) 393-0510
FAX: (575) 393-0026

3446 LAMBROS LOOP NE
LOS LUNAS, NM 87031
PHONE: (505) 865-7802
FAX: (505) 865-7844

135 WEST GRIGGS AVENUE
LAS CRUCES, NM 88001
PHONE: (575) 622-3908
FAX: (575) 623-8799

102 EAST 4TH STREET
ROSWELL, NM 88201
PHONE: (575) 622-4178
FAX: (575) 622-4683

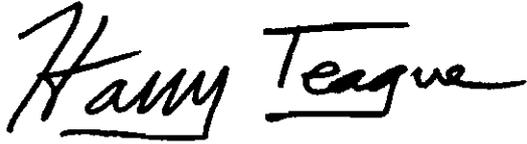
111 SCHOOL OF MINES ROAD
SOCORRO, NM 87801
PHONE: (575) 835-8719
FAX: (575) 835-8931

TOLL FREE: 1-888-BTEAGUE

PRINTED ON RECYCLED PAPER

No. of Copies rec'd
List ABCDE 0

Sincerely,

A handwritten signature in black ink that reads "Harry Teague". The letters are cursive and fluid, with a distinct horizontal line underlining the "y" in "Harry" and the "e" in "Teague".

Harry Teague
Member of Congress