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October 7, 2011

Via ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: American Cable Association (“ACA”) Notice of Ex Parte Presentation; *In the Matter of Connect America Fund*, WC Docket No. 10-90 et al.

Dear Ms. Dortch:

On October 5, 2011, Matthew Polka and Ross Lieberman, ACA, the undersigned, Thomas Cohen of Kelley Drye & Warren LLP, and the following executives from member companies of the ACA:

- Martin Brophy, Shen-Heights TV Associates;
- Paul Butcher, Big Sandy Broadband;
- Rick Ferrall, MetroCast;
- John Higginbotham, Frankfort Plant Board;
- Chris Hilliard, USA Communications;
- Ben Hooks, Buford Media, Alliance Communications;
- Craig Martin, WOW!

met separately with Angela Kronenberg, Wireline Legal Advisor to Commissioner Clyburn, Christine Kurth, Policy Director and Wireline Counsel to Commissioner McDowell, and Margaret McCarthy, Policy Advisor, Wireline, to Commissioner Copps. The purpose of each meeting was to discuss the Commission’s proposed reform of the High-Cost fund, the right of first refusal (“ROFR”) proposal in America’s Broadband Connectivity Plan (“ABC Plan”),¹ and the cable industry’s alternative to that proposal.

¹ See Letter from Robert W. Quinn, Jr., AT&T, Steve Davis, CenturyLink, Michael T. Skrivan, FairPoint, Kathleen Q. Abernathy, Frontier, Kathleen Grillo, Verizon, and Michael D. Rhoda, Windstream, to Marlene H. Dortch, Federal Communications Commission, WC Docket No. 10-90 et al. (filed July 29, 2011).

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The seven cable executives attending the meetings represent a sample of the more than 500 small and medium-sized operators in ACA's membership that offer video, broadband, and telephone service over cable infrastructure and do not receive any current high-cost support under the USF program. These cable operators reflect how much the telecommunications landscape has changed from just 10 - 15 years ago when competition was in its infancy and when the last universal service and intercarrier compensation reform plans were adopted. All of these companies offer a triple play service in competition with mid-sized and larger telephone companies. They have captured a substantial number of voice customers from the incumbent telephone companies, and they lead the market for broadband, providing a robust service to consumers. Because of their competencies and experience in deploying and offering broadband service, these and many other ACA cable operator members would like the opportunity to seek funding from the Connect America Fund ("CAF") to build out broadband universally.

Because of their interest in seeking CAF funding and the benefits they could bring to the program, these cable operators oppose any universal service reform plan that would give a ROFR to the large incumbent telephone companies. First, they are confident they can deliver a better broadband service at less cost to consumers in areas where government support is provided. Second, based on experience, they are concerned that despite the Commission's best attempts at accountability, funding awarded through a ROFR would be used by the telephone companies in areas where they already compete with cable operators. Third, a ROFR would stymie these cable operators from bringing competitive broadband service to many areas of the country over the next decade.

ACA cable operator members believe the Commission should take advantage of the competitive landscape and award all CAF funding through a competitive bidding process. However, in the interest in providing a compromise between the various interests, ACA and the National Cable & Telecommunications Association have proposed an alternative, which is available at: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021712735>. It seeks to ensure that any distribution of CAF support is consistent with the Commission's objective to deploy broadband universally in a manner that is effective, efficient, and competitively neutral by:

- a. Providing that no more than \$600 million annually in support is awarded pursuant to a ROFR.
- b. Awarding a ROFR only in areas that fall below the 35% coverage threshold proposed in the ABC Plan (or another current build out threshold to be determined by the Commission).
- c. Awarding support pursuant to a ROFR for a period of no more than six years.

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Finally, these cable operators are concerned about growth in the size of the universal service fund and the high-cost component of that fund. For the reasons that ACA has detailed in previous filings,² they urge the Commission to adopt a hard and permanent cap on the fund.

This letter is being filed electronically pursuant to section 1.1206 of the Commission's rules.

Sincerely,



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Counsel for the American Cable Association

cc: A. Kronenberg
C. Kurth
M. McCarthy

² See Comments of American Cable Association, WC Docket No. 10-90 et al. (filed Aug. 24, 2011); Reply Comments of American Cable Association, WC Docket No. 10-90 et al. (filed Sept. 6, 2011).



Reliable and Trusted throughout Eastern Kentucky

For 50 years, Big Sandy Broadband has provided residents in Johnson and Floyd Counties in Kentucky the entertainment they have always desired. We have provided them with the channels they want and high-speed internet that allows them to surf the web at over 50 times faster than dial-up. We are now offering Digital Telephone Services that make voice communication fun, effective, and affordable. Big Sandy Broadband has 2,900 total subscribers with about 2,000 receiving video, 1,750 receiving broadband, and 750 receiving phone.

We are growing with technology, and implementing new digital forms of entertainment and communication to keep our customers up-to-date and happy. Our customers know they can trust us to deliver the digital age directly into their homes, and with the reliability they have come to expect from us.

Paul Butcher is President of Big Sandy Broadband. Mr. Butcher became manager of the company in 1988, and became President and Owner in 1995.



Buford Media Group

Buford, under various structures has been in business for over 60 years in both Broadcast Television and since the 70's in Cable Television. Buford Media Group provides Corporate Administrative Services to the cable industry and is involved in cable operations both as an owner/operator and administrator. BMG is engaged in the development of technological advances for the cable industry through its association with Beyond Broadband Technology. In addition, BMG continues its pursuit of cable television acquisitions.

Alliance Communications Network was formed in 2000 by BMG. The company provides service to 10,000 video subscribers and 2,500 broadband subscribers in Texas, Arkansas, Oklahoma, Mississippi, and Alabama. Today BMG is a general partner and provides Corporate Administrative Services to this company. www.alliancecable.net



Beyond Broadband Technology, LLC (BBT) has developed BBTPlus™ an end-to-end system for cable operators utilizing the BBT Solution™ an open standard downloadable security system (OSDS)™. BBTPlus™ makes available an uplink facility, prepackaged video transport, cost effective headend equipment and a low price HD set top device which incorporates state-of-the-art non-integrated downloadable security. www.bbtsolution.com



Buford Satellite Systems was formed in 2002 serving 87 Correctional Institutions in 15 states BMG is a general partner in Buford Satellite Systems and provides Corporate Administrative Services to this company. www.bufordsatellitesystems.com



Avalon Investments is a Commercial Real Estate Company owned by Ben Hooks and serviced by BMG Administrative Services. Presently they have real estate holdings in Tyler, Texas.

Bennett W. (Ben) Hooks, Jr. is Owner/CEO of Buford Media Group. He is responsible for the overall strategic development for the company. Over the last 42 years in the cable industry, Mr. Hooks experience includes a long tenure with both Daniels and Associates as well as the Buford family.

Mr. Hooks has been active in Industry affairs for a number of years. He has committed a number of years of service to the American Cable Association (ACA), National Cable Television Cooperative (NCTC), CableLabs, Texas Cable Telecommunications Association (TCTA), Cable Telecommunications Association (CATA) and Christians in Communications (CIC). Currently he serves on the Board of Directors of Pioneers in Cable as well as CIC.



The Electric and Water Plant Board of the City of Frankfort Kentucky (FPB) was established by Kentucky Revised Statute in June 1942. Operations began in early 1943 to serve the community of Frankfort. The statute provides that the Mayor nominates and the four commissioners approve the directors of FPB. This is the only connection between the city and FPB concerning operations and revenues generated or allocated by either party.

In 1952, several hardware storeowners came to FPB with an idea to put a community TV antenna (CATV) on top of the water tower located on a bluff above the State Capitol. These businesses were having trouble selling televisions because of poor reception from the stations in Louisville and Cincinnati due to the deep Kentucky River valley that Frankfort sits in.

FPB decided to set up a separate management team, Community Service Inc., to provide customers with CATV in mid 1952. This corporation operated Community Service until 1988, when it was dissolved and absorbed by FPB. In the early 1960s, a privately owned cable company, Consolidated Cable, began operations in east Frankfort. This system was sold to FPB in 1990.

Today, FPB's cable system supports over 16,500 customers in Franklin, Shelby and Woodford counties. Since 1972, the system has operated a local origination channel, Cable 10, which airs nearly 70 hours of informational, educational and governmental programming each week. The system also operates a leased access channel available to all customers, a real estate classified channel and a photo classified channel.

In 1997, the FPB directors approved the borrowing of \$28 million to upgrade the cable infrastructure to a 750 MHz Hybrid Fiber Coaxial (HFC) system with offerings to include: digital cable, high speed cable modem access, facility-based CLEC services (local telephone), long distance and home security.

In December 2000, FPB launched digital cable to portions of Franklin County. In February 2001, high-speed Internet access via cable modem was launched. In March 2001, security services for homes and business, were launched everywhere in Franklin County. High capacity data services via Metro Ethernet connections, was launched in February 2002. Long distance service was launched in September 2002, serving customers everywhere in the 502 area code. Local telephone service was launched in September 2003.

In July 2010, FPB completed its all-digital conversion with the elimination of analog cable TV. The all-digital transition allowed FPB to free up nearly 300 MHz of spectrum and with this reclaimed space, FPB launched 50 new HD channels in August 2010 and now offers 80 channels of HD service. The reclamation of bandwidth allowed for the launch of a video-on-demand service (VOD) in November 2011 and also set aside bandwidth for future use of spectrum in the provisioning of wideband Internet services with speeds of up to 300 MB.

John Higginbotham is Superintendent at the Frankfort Plant Board.



Harron Communications' beginnings date back to the early 1900's when Paul F. Harron, Sr. started in the media business by selling advertising on Vaudeville curtains and then later progressed into owning and operating broadcast radio and television stations.

In 1964, as a defensive measure to protect Harron's Utica, NY broadcast television property, Harron obtained the franchise to build and operate a cable television system in Utica. Under the leadership of Paul F. Harron, Jr., who succeeded his father as President and CEO of Harron in 1977, Harron's cable television strategy turned offensive and Paul Harron, Jr. expanded the Company to serve more than 300,000 subscribers in the states of Massachusetts, Michigan, New York, New Hampshire, Pennsylvania, Texas, and Vermont.

Harron Communications Corp was sold in 1999 to Adelphia Communications, but the Harron family remained actively involved and deeply committed to the cable television industry through their involvement in MetroCast. The Harron family formed MetroCast in 1998 to acquire a cable television system in the Lakes Region of New Hampshire serving 30,000 subscribers.



MetroCast has continued to grow since 1998, and in September of 2005, the Harron family partnered with Boston Ventures to form Harron Communications, LP, which wholly owns all operating subsidiaries doing business as MetroCast Communications in over 135 communities in the states of Alabama, Connecticut, Maryland, Mississippi, Maine, New Hampshire, Pennsylvania, South Carolina and Virginia.

MetroCast Communications provides quality entertainment and information choices to residential and commercial customers over its advanced fiber optic networks. MetroCast is committed to ensuring quality service with a variety of choices to meet the needs and interests of each and every customer. MetroCast continues to introduce new technology and provide new advanced services, products and networks increasing the value of its subscribers' home entertainment and information choices.



Shen - Heights TV

About Us

Shen-Heights Television strives to give a wide variety of high quality cable, digital and internet services to its customers. With over 50 years of experience in the industry, Shen-Heights Television is one of the region's oldest, yet most technologically advanced television and internet providers.

Family owned and operated since 1951, our staff is here to serve you! Our office is located in downtown Shenandoah for easy access, and is opened 9 a.m. to 5 p.m. during the week. We also offer weekend hours of 9 a.m. to 12 p.m. (Noon) as an added convenience to our customers.

Our History

On September 24, 1951, Shenandoah Borough Council granted Frank Brophy and Albert Kersewicz permission to begin wiring the borough of Shenandoah.

Shen-Heights TV began operations offering three channels of television (3,6, and 10) from Philadelphia, in October of 1951.

Upon the passing of Albert Kersewicz, Frank Brophy and George F. Uritis incorporated Shen-Heights TV in 1953.

Having begun with three channels from Philadelphia, channel selection was expanded to include UHF stations from Scranton - Wilkes-Barre and Philadelphia.

In the 1960's a complete rebuild of Shen-Heights TV took place along with expansion into West Mahanoy Township.

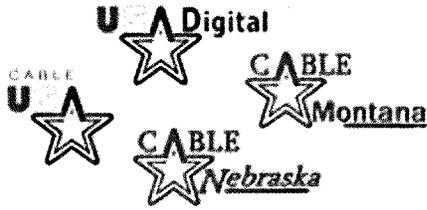
With the passing of the principals of Shen-Heights TV in the 60s, the next generation took charge ever moving forward to offer 20 channels of entertainment and premium services such as Home Box Office.

In the 1980's channel capacity was expanded to 36 channels, then to 54 and 65 in the 1990's which included pay-per-view offerings.

As we enter the 21st century and 50 years of service to the borough of Shenandoah, Shen-Heights TV today offers 65 channels of entertainment, 65 channels of Digital selection, plus High Speed Internet Access, one of the very few small cable systems across the country to do so.

Through all this, Shen-Heights TV has always maintained its commitment to serve the community and has always been a good corporate citizen to the borough and the other areas it serves.

Going forward, it is the goal of Shen-Heights TV to keep up with the latest technology to the best of our ability and to continue to serve all our customers the best we can!



USA Communications is a growth oriented Company headquartered in Kearney, Nebraska. USA Communications manages four different entities - Antilles Wireless, LLC, Cable Nebraska, LLC, Cable Montana, LLC and USA Communications. USA and its subsidiaries operate hardwire cable television systems in four states (Montana, Nebraska, California, and Colorado). The companies have grown significantly over the past years and now serve over 23,000 RGU's. In addition to the cable television systems, USA Communications could see the need for wireless high-speed internet in the rural areas of Nebraska, therefore, we moved forward and expanded across the state of Nebraska to the

cities of Cozad, Lexington, Ogallala, North Platte and many towns and villages surrounding these cities.

Antilles Wireless was formed by Christian Hilliard in 1994 to own certain wireless cable television assets which he was purchasing at that time. Cable Montana was created in July, 2002 to acquire the hardwire cable assets of Fibervision, Inc. in the states of Montana. Cable Nebraska, LLC was formed in early 2002 with the express purpose to overbuild four towns in Central Nebraska. It subsequently constructed an 870 MHz, two-way system that now offers digital cable and high speed internet to customers in eighteen communities from one headend.

Over the years, USA Communications has enjoyed a reputation for continued innovation to meet the telecommunication needs of its customers. USA Communications has built a high quality communications network that delivers quality services. As a full-service provider, USA Communications offers an array of services, including advanced digital video programming services, high-speed Internet access, phone service using digital VOIP and High Definition programming to meet the demands and commitment to provide state of the art products and service to our customers.

USA Communications provides superior Customer Service, bill generation, and fulfillment of our customer accounts. We offer local technical staff to maintain and service our customers twenty four hours per day, seven days a week. Both our technical staff and customer service representatives have a standing longevity of service and believe in what they sell and service. They work extremely hard to provide our customers with the highest quality of service. USA Communications believes in its people and the need for satisfied customers. Our business is alive and growing and has plans to continue this expansion throughout the future.

Christian Hilliard, CEO and owner of USA Communications is the next generation of the Hilliard family to be involved in telecommunications business. He previously served as COO of Cable USA and related entities, a cable MSO serving over 29,000 hardwire customers. His involvement at Cable USA led to and included serving over 38,000 paging, wireless cable and hardwire cable customers. In addition, the companies had strong local advertising sales and built a 475 mile fiber network in Central Nebraska which provided distance learning to over 20 school systems and data transmission for local businesses and a hospital alliance. Today he continues to be heavily involved in the operations of the entities managed by USA Communications and currently serves as a board member of the National Cable Television Cooperative.



It's that kind of experience.

Our Story

We're proud to have served our communities in Illinois, Michigan, Ohio and Indiana since 1996. We started out with Cable TV and since have added the services that our customers need. Today we offer Digital Cable, HDTV, DVRs, high-speed Internet, and local and long distance phone service. We continue to listen to our customers and have plans to offer more exciting services in the future.

What distinguishes WOW! from other providers is our passionate focus "to provide an employee and customer experience that lives up to our name". That is our operating philosophy and it is at the heart of our ongoing commitment to delight our customers with friendly, quality service and affordable prices. As a result of how we do business, we're honored to have been recognized with an unprecedented thirteen J.D. Power and Associates awards for Highest Customer Satisfaction over the last decade. In addition, WOW! services have consistently been named #1 by Consumer Reports Magazine in their rankings of bundled telecom services.

WOW! is available to 1.6 million households in the greater metro areas of Chicago, Illinois; Detroit, Michigan; Columbus and Cleveland, Ohio; and Evansville, Indiana. We serve over 470,000 customers while competing against the incumbent MSOs Comcast, Time Warner and Insight, as well as AT&T Universe, DirecTV and Dish Network. With our video service we offer three core cable packages from Limited Basic to Digital Basic and advanced services such as HDTV, DVR and VOD. WOW! Internet provides a choice of four speed connections ranging from 2Mbps to 15Mbps. Three packages of WOW! Phone are available with a variety of options for local and long distance calling.

WOW! is privately owned by Avista Capital Partners. In addition to our Midwest operations, our Corporate office is located in Denver, Colorado and our Customer Care Center is in Colorado Springs, Colorado.

Craig Martin is General Counsel and Secretary for WOW!, and responsible for all legal and regulatory affairs. Craig has provided legal services to the cable industry throughout the nation for almost twenty years. His services range from franchise relationships to local, state (public utility commission), and federal (FCC) regulatory compliance. His professional background also includes extensive experience in mergers and acquisitions, commercial transactions, and securities law.

Prior to joining WOW!, Craig served for over ten years as the Chief Operating Officer of a law firm with over 100 attorneys. His responsibilities there included strategic planning, financial budgeting, reporting and analysis, marketing of legal services, recruitment of attorneys and staff, and all aspects of human resources.