

March 1, 2012

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: Basic Service Tier Encryption; Compatibility Between Cable Systems and Consumer Electronics Equipment, MB Docket No. 11-169, PP Docket No. 00-67.**

Dear Chairman Genachowski:

We are writing to express our strong support for the Commission's proposal to eliminate the prohibition on encryption of the basic tier for all-digital cable systems. We believe that this rule change would be pro-consumer and pro-innovation and should be adopted as expeditiously as possible.

We applaud your initiative to eliminate outmoded regulations. The basic tier encryption prohibition is a prime candidate for repeal. It is a relic of a bygone era. It applies only to cable. It was adopted when satellite service was in its infancy, before telephone companies were allowed to provide video services, and before the first video was watched over the Internet.

Furthermore, at the time the rule was adopted, cable was an analog service and most cable customers could access 60-80 analog channels on their TVs without a set-top box. The situation is fundamentally different today. Cable operators have digitized and largely encrypted their channel lineups, so only the 20 or so basic tier channels (i.e., broadcast signals, PEG channels, and a few other channels) can be accessed without a set-top box or CableCARD-enabled device. In this digital environment, the overwhelming majority of digital cable customers already have set-top boxes or retail CableCARD devices to access encrypted services. In cable systems that go all-digital, nearly 100% of customers will have equipment, so elimination of the encryption prohibition will be a non-event.

And for the very small percentage of customers in all-digital systems who receive basic tier services without equipment, we have made clear our support for transitional equipment measures to help ease the potential impact. As you know, the Commission granted Cablevision a waiver of the encryption rule in part to get real-world experience about the effect of encrypting the basic tier. Cablevision's experience in its New York City system confirms that very few customers will be impacted by basic tier encryption. In that system, fewer than 0.1% of subscribers requested equipment under the conditions in the waiver order, demonstrating that the overwhelming majority of subscribers already had set-top boxes or retail CableCARD devices in their homes to access encrypted programming.

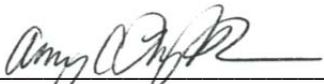
The rule change will have substantial consumer benefits. Currently, most cable installations and disconnections require the customer to arrange for a technician visit. With encryption, service can be activated or deactivated remotely, thereby eliminating the inconvenience of a service call. Cablevision reports that it is performing remotely 99.5% of all service disconnects in New York

City and that encryption is also facilitating remote service activations. Beyond these benefits, encryption will also reduce service theft, which can affect service quality and reliability, and adds costs to operators and customers alike. Encryption addresses these problems. It will help operators provide a secure and better quality service to all of their customers.

The rule change will also spur innovation in cable networks. Given the pro-consumer benefits noted above, cable operators will have even more incentives to migrate rapidly to all-digital networks. This frees up cable bandwidth for faster Internet, more high-definition channels, more video-on-demand choices, and other services that customers are demanding in today's competitive marketplace.

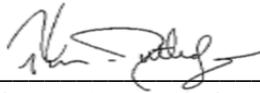
The simple fact is that encryption is ubiquitous in the video marketplace. All satellite and IPTV providers encrypt all of their programming, and the same is true for online video distributors. While the Commission's encryption rule arguably may have made sense 20 years ago, there is no valid basis for continuing to hold back cable innovation in today's dynamic and competitive marketplace. Indeed, each day that passes without Commission action delays the significant benefits that will come from the Commission's proposed rule change. We therefore urge swift action to adopt the Commission's proposal to eliminate this anachronistic prohibition.

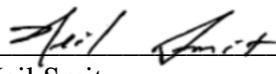
Sincerely,

  
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Amy Tykeson  
Chairman, President and CEO  
BendBroadband

  
\_\_\_\_\_  
Steve Miron  
Chief Executive Officer  
Bright House Networks

  
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James Dolan  
President and CEO  
Cablevision Systems Corp.

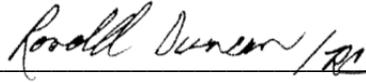
  
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Thomas M. Rutledge  
President and CEO  
Charter Communications

  
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Neil Smit  
President and CEO  
Comcast Cable

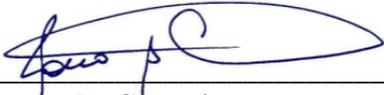
  
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Patrick Esser  
President  
Cox Communications



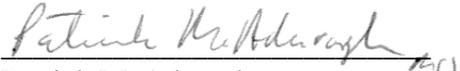
Gary Shorman  
President and CEO  
Eagle Communications



Ronald Duncan  
President and CEO  
General Communication, Inc.



Rocco B. Comisso  
Chairman and CEO  
Mediacom Communications Corp.



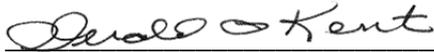
Patrick McAdaragh  
President and CEO  
Midcontinent Communications



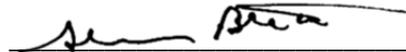
Jim Holanda  
Chief Executive Officer  
RCN



Richard Sjöberg  
President and CEO  
Sjöberg's, Inc.



Jerald L. Kent  
Chairman and CEO  
Suddenlink Communications



Glenn Britt  
Chairman and CEO  
Time Warner Cable

cc: Commissioner Robert McDowell  
Commissioner Mignon Clyburn  
Marlene H. Dortch, Secretary