



CONNECTING HOMETOWN AMERICA

Ross J. Lieberman  
Vice President of Government Affairs  
American Cable Association  
2415 39<sup>th</sup> Place, NW  
Washington, DC 20007

March 18, 2013

Via ECFS

Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Room TW-A325  
Washington, DC 20554

**Re: Notice of Ex Parte Presentation of American Cable Association; 2010 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, MB Docket No. 09-182; Amendment of the Commission's Rules Related to Retransmission Consent, MB Docket No. 10-71; Revision of the Commission's Program Access Rules, etc., MB Docket No. 12-68; Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337**

Dear Ms. Dortch:

On March 14, 2013, Matthew Polka, President & CEO of the American Cable Association (ACA), Rich Fickle, President & CEO of the National Cable Television Cooperative (NCTC), Robert Gessner, President of MCTV, and the undersigned met with the following staff from Chairman Genachowski's Office: Zachary Katz, Chief of Staff; Michael Steffen, Legal Advisor; Lyle Elder, Legal Advisor; Elizabeth Andron, Acting Chief Counsel and Senior Legal Advisor. Julie Veach, Chief, Wireline Competition Bureau, also attended the meeting. All views summarized below were consistent with ACA's prior filings in the above-referenced proceedings.

ACA began the meeting by discussing how smaller cable providers are investing in their networks and providing advanced services. Attendees explained how smaller cable operators are in the midst of significant transitions that are beneficial to their customers and communities. They are moving from all-analog and hybrid analog-digital to all-digital platforms, and from DOCSIS 2.0 to DOCSIS 3.0 technology. Their service mix is also evolving and most now offer a package of video, voice, and data services. In the markets where smaller cable operators provide broadband, they are often offering the fastest speeds at reasonable prices. Many of these operators have also begun to offer commercial and dedicated broadband services to businesses.

ACA next explained that obtaining access to video programming at fair prices continues to be smaller operators' most significant problem. In particular, their costs for retransmission consent and sports programming are rapidly rising. Smaller operators pass some of their higher programming costs through to their customers in the form of higher retail rates, but must absorb some of these costs as well. ACA noted that higher costs associated with programming fees, pole attachments, and new regulatory obligations have led its members to increasingly shut down their smallest systems. This is reducing

competition in the video marketplace with the result that customers in rural areas must find other ways to get service, often at higher prices.

ACA urged the Commission to address some of these concerns in its pending Program Access, Retransmission Consent, and Media Ownership rulemakings.<sup>1</sup> ACA stressed that the Commission must reform its program access by adopting the reform measures proposed by ACA, including rules to ensure that a buying group, such as the NCTC, is able to file complaints and to also ensure that cable-affiliated programmers cannot undermine or evade program access protections.<sup>2</sup> In addition, ACA encouraged the Commission to take action to prevent separately owned, top four-rated television stations in the same market from coordinating their retransmission consent negotiations. ACA explained that this issue could be addressed in either the Media Ownership or Retransmission Consent proceeding.<sup>3</sup>

With regard to the implementation of the Commission's Connect America Fund (CAF), ACA reiterated its support of the objectives of the CAF program, particularly continuing support for smaller rural telephone carriers. ACA urged the Commission to follow three precepts advocated by the association in implementing the CAF: (1) ensure that no support is provided in areas where competitive providers offer broadband service; (2) distribute support efficiently, that is, support should be only the amount necessary to ensure broadband service is provided; and (3) enable competitive providers to have a fair opportunity to participate in any reverse auctions.

---

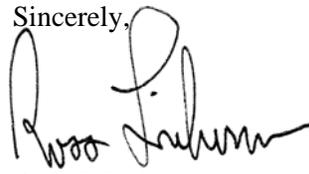
<sup>1</sup> See *Revision of the Commission's Program Access Rules; News Corporation and The DIRECTV Group, Inc., Transferors, and Liberty Media Corporation, Transferee, for Authority to Transfer Control; Applications for Consent to the Assignment and/or Transfer of Control of Licenses, Adelphia Communications Corporation (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees, et. al.; Implementation of the Cable Television Consumer Protection and Competition Act of 1992; Development of Competition and Diversity in Video Programming Distribution: Section 628(c)(5) of the Communications Act: Sunset of Exclusive Contract Prohibition*, Report and Order in MB Docket Nos. 12-68, 07-18, 05-192, Further Notice of Proposed Rulemaking in MB Docket No. 12-68, Order on Reconsideration in MB Docket No. 07-29, 27 FCC Rcd 12605 (2012); *2010 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*, MB Docket No. 09-182, Notice of Proposed Rulemaking, 26 FCC Rcd 17489 (2011); *Amendment of the Commission's Rules Related to Retransmission Consent*, MB Docket No. 10-71, Notice of Proposed Rulemaking, 26 FCC Rcd 2718 (2011).

<sup>2</sup> Comments of the American Cable Association, MB Docket No. 12-68, at 1-62 (Dec. 14, 2012); Reply Comments of the American Cable Association, MB Docket No. 12-68, at 1-71 (Jan. 14, 2013).

<sup>3</sup> Comments of the American Cable Association, MB Docket No. 09-182 at 13-27 (Mar. 5, 2012); Reply Comments of the American Cable Association, MB Docket No. 09-182 at 11-32 (Apr. 17, 2012); Comments of the American Cable Association, MB Docket No. 10-71, at 2-41 (May 27, 2011); Reply Comments of the American Cable Association, MB Docket No. 10-71, at 2-41 (June 27, 2011).

Marlene Dortch  
March 18, 2013  
Page 3

Pursuant to section 1.1206 of the Commission's rules, this letter is being filed electronically with the Commission.

Sincerely,  
  
Ross J. Lieberman

cc (via email):  
Zachary Katz  
Michael Steffen  
Lyle Elder  
Elizabeth Andrion  
Julie Veach