



REDACTED –FOR PUBLIC INSPECTION

May 12, 2014

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

Re: **REQUEST FOR CONFIDENTIAL TREATMENT**
Request for Review by Coaxial Cable Television Corporation of Decision of
Universal Service Administrator; WC Docket No. 06-122

Dear Ms. Dortch:

Submitted for **CONFIDENTIAL FILING** are an original and four (4) copies of the **CONFIDENTIAL – NOT FOR PUBLIC INSPECTION** version of the enclosed amendment to the Request for Review by Coaxial Cable Television Corporation of a Decision of the Universal Service Administrator (“Request Amendment”). Please date-stamp the enclosed additional copy of this filing and return it in the self-addressed envelope provided.

A **REDACTED – FOR PUBLIC INSPECTION** version of the Request and the accompanying Exhibits, has been filed in the Commission’s Electronic Comment Filing System.

Coaxial Cable Television Corporation (“Coaxial” or the “Company”), pursuant to 47 C.F.R. §§ 0.457, 0.459, requests that portions of its Request for Review of a Decision of the Universal Service Administrator (“Request”) be treated as confidential and not subject to public inspection. Certain portions of the Request, as identified further below, contain confidential and proprietary information that, if subject to public disclosure, would cause significant commercial and competitive harm to Coaxial. As described below, Coaxial’s request satisfies the standards for grant of this request as set forth in Sections 0.457 and 0.459 of the Commission's Rules.

In accordance with Section 0.459(b) and in support of its request, Coaxial provides the following information:

- (1) Identification of Confidential Materials: Coaxial seeks confidential treatment of specific information relating to the Company’s revenues and USAC assessments, as provided throughout the Request Amendment. Specifically, the information designated as confidential is marked “[**BEGIN CONFIDENTIAL**]” and “[**END CONFIDENTIAL**]” in the Request.
- (2) Circumstances Giving Rise to Submission of Information: Coaxial requests that specific information in the Request be treated on a confidential basis under Exemption 4 of the Freedom of Information Act. The information designated as confidential includes the company’s Form

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499-A submissions, USAC invoices, and details about its customer counts. This is competitively sensitive information that Coaxial maintains as confidential and is not normally made available to the public. Release of the information would have a substantial negative impact on Coaxial since it would provide competitors with commercially sensitive information.

(3) Degree to Which Information is Commercial or Financial: The information designated in the Request and in the Exhibits as Confidential is of a highly sensitive and commercial nature, containing customer data and financial information concerning aspects of Coaxial's business.

(4) Degree to Which the Information Concerns a Service Subject to Competition: Coaxial is a cable operator, providing video, internet service and Voice over Internet Protocol phone service in Edinboro, Pennsylvania. Its Internet and voice phone services are subject to competition by the incumbent telephone company, and its video services are most prominently subject to competition by direct broadcast satellite operators. Accordingly, Coaxial's services are subject to competition and the release of this confidential and proprietary information would cause Coaxial competitive harm by allowing its competitors to become aware of sensitive proprietary information regarding the operation of Coaxial's business at a level of detail not currently available to the public. Such information is directly applicable to how Coaxial operates and provides its services, which are subject to substantial competition from other service providers.

(5) How Disclosure Could Result in Substantial Harm: Disclosure of Coaxial's confidential information regarding its provision of video, Internet and phone services would give its competitors a significant advantage by revealing sensitive business information about Coaxial's customer base, product mix and revenues. This data could be used by competitors to damage Coaxial's position in the market and future potential growth.

(6) Measures Taken to Prevent Disclosure: The Request Amendment provides information relating to Coaxial's financial operations. Coaxial holds all such information designated as "Confidential" within the Request and Exhibits in strict confidentiality and does not permit access to such information to any persons other than employees who require access to this information for the specific purpose of conducting business on behalf of Coaxial.

(7) Public Access to Information, Third Party Disclosure: As noted above, Coaxial has not made this information publicly available through any previous disclosures.

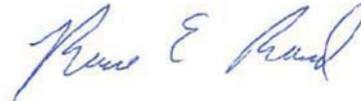
(8) Justification of the Period during Which the Material Should Not be Publicly Available: Coaxial requests that the Commission hold this information out of public view, and cannot determine at this time any date on which this information should not be considered confidential.

(9) Additional Information: Release of the foregoing information would have a serious detrimental impact on the business operations and plans of Coaxial. Because of the competitively sensitive nature of this information, Coaxial respectfully requests that the Commission treat this filing as confidential and withhold the same from public inspection. Coaxial has simultaneously filed a copy of the filing marked "REDACTED – FOR PUBLIC INSPECTION" so that the non-confidential information contained in the filing may be made available to the public.

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Please contact the undersigned should you have any questions concerning the attached documentation, or Coaxial's request for confidentiality pursuant to the Commission's rules.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Bruce E. Beard". The signature is written in a cursive style with a large initial "B".

Bruce E. Beard

Enclosures

cc: Aaron Phillips



**CINNAMON
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May 12, 2014

Kimberly Scardino
Chief, Telecommunications Access Policy Division
ATTN.: Carol Pomponio
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Request for Review by Coaxial Cable Television Corporation of Decision of Universal Service Administrator; WC Docket No. 06-122*
Coaxial Cable Television Corporation (Filer 499 ID: 829816)

Dear Ms. Scardino:

Coaxial Cable Television Corporation (“Coaxial”) hereby amends its Request for Review of Decision of Universal Service Administrator,¹ to account for its recently filed revision of the company’s 2010 Form 499-A.² This amendment is prompted by the Universal Service Administrative Company (“USAC”) issuing an invoice to Coaxial on April 22, 2014 that assesses Universal Service Fund (“USF”) contributions based on Coaxial’s 2010 Form 499-A, which contains the same ministerial error that the Request addressed regarding Coaxial’s 2011-2012 499-A forms and for which relief was sought.

Through this amendment to the Request, Coaxial requests the additional relief that:

- (1) The Commission waive its one-year downward revenue revision rule from the date that a 499-A form is originally due with respect to Coaxial’s 2010 Form 499-A; and
- (2) Direct that the Universal Service Administrator accept as timely filed and process Coaxial’s 2010 Form 499-A.

Coaxial submitted its 2010 499-A on August 29, 2013, at the same time as its 2011 and 2012 Forms 499-A, but USAC had not processed the 2010 form until recently. Given the previous lack of activity by USAC with respect to its 2010 form, Coaxial had not sought to revise it since it would not

¹ *Request for Review of a Decision by the Universal Service Administrator and Request for Waiver by Coaxial Cable Television Corporation, WC Docket 06-122 (filed Mar. 7, 2014) (“Request”).*

² *See Letter from Aaron Phillips, Coaxial to Linus Chapman, USAC (May 12, 2014) (attached).*

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have had a financial impact at that time.³ USAC's recent assessment has prompted a need to now correct the ministerial error. Specifically, the 2010 form reported [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in assessable Voice over Internet Protocol ("VoIP") service revenues, whereas Coaxial actually only had [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] assessable VoIP revenue for the relevant period. As a result, instead of Coaxial currently being assessed an expected [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in contributions based on its 2010 form, the company would be liable for \$0 in contributions since it would have *de minimis* contributor status.⁴

Since the 2010 Form 499-A contains the identical ministerial error as the 2011-2012 forms, the reasoning for granting the Request with respect to the 2010 form remains the same as which has been laid out in the Request. In sum, the Request sought relief from the Commission to allow Coaxial to correct a ministerial error on its 2011 and 2012 Forms 499-A that had caused the company to be assessed substantial USF contributions, when in fact Coaxial was a *de minimis* filer during these periods. Coaxial explained that it had inadvertently reported its total assessable revenue for USF purposes instead of only its interstate and international revenue. Since Coaxial had filed its 2011-2012 forms more than one year past their original due date, it had no opportunity to correct the error. Coaxial illustrated how Commission precedent, equity, and the public interest support its Request.

Further, the instant amendment to the Request is timely and appropriate. Although USAC has not yet processed the 2010 499-A or taken official action on it, Coaxial believes rejection of the form is inevitable given USAC's response to the company's filing of its 2011 and 2012 forms. As such, in the interest of prompt candor with the Commission regarding recent developments in this matter and administrative efficiency, Coaxial believes the instant amendment is appropriate to permit the Commission to consider Coaxial's matter in its entirety when evaluating the Request's merits.

Consistent with USAC's pay and dispute policy, Coaxial will pay the amounts erroneously due under its original 2010 Form 499-A as the invoices are due and generated, pending the outcome of the Request, as amended.

³ See Request, at 5 & n.9. Coaxial believed that its 2010 Form 499-A was viewed as *de minimis* by USAC given the previous lack of activity by USAC regarding this form. Coaxial has now confirmed with USAC staff that only its 2007-2009 Forms 499-A result in it being considered a *de minimis* contributor for these years. See Email from Chang-Hua Chen, USAC to Elvis Stumbergs, Counsel to Coaxial (Apr. 25, 2014) (attached).

⁴ To date, Coaxial has been assessed a [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] contribution based on its 2010 Form 499-A on its April 2014 invoice. Coaxial expects identical amounts due on its upcoming May and June, 2014 invoices.

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Please do not hesitate to contact me with any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce E. Beard". The signature is written in a cursive, slightly slanted style.

Bruce E. Beard

Enclosures

cc: Universal Service Administrative Company
ATTN.: Fred Theobald
2000 L Street, N.W., Suite 200
Washington, DC 20036

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AARON PHILLIPS
Chief Administrative Officer

May 12, 2014

Form 499 Data Collection Agent / Universal Service Administrative Company
ATTN.: Linus Chapman
2000 L Street N.W., Suite 200
Washington, D.C. 20036

RE: Coaxial Cable Television Corporation ("Coaxial") (Filer 499 ID: 829816)
Revised 2010 499-A

Dear Mr. Chapman:

Please see attached Coaxial's revised 2010 Form 499-A submission that corrects a ministerial error on Coaxial's original 2010 Form 499-A, originally submitted on August 29, 2013. The revised 2010 499-A should result in Coaxial being considered a *de minimis* contributor for the relevant reporting period.

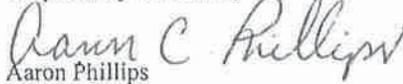
Coaxial sought to revise its initial 2011-2013 499-A filings because they contained an identical ministerial error that resulted in the company being assessed Universal Service Fund ("USF") contributions despite it actually qualifying for *de minimis* contributor status during these years. Specifically, the error was that Coaxial reported on its 2011-2013 forms the company's total VoIP revenue as assessable for USF purposes instead of only its interstate and international revenue; this same error occurs on the 2010 form.¹

The 2013 499-A form was successfully revised, and Coaxial filed a request for review with the Federal Communications Commission on March 7, 2014 regarding of USAC's decision to reject the 2011-2012 499-A form revisions, and requesting a waiver of the one-year downward revision deadline.²

Coaxial's April 22, 2014 USAC invoice indicated an additional substantial assessment of USF contributions based on Coaxial's 2010 499-A, which has prompted the instant revision. Coaxial also has filed an amendment to its Request with the FCC.³ The delay in processing Coaxial's 2010 499-A, and the resulting absence in previous contribution assessment, caused Coaxial to not file a revision previously or address the 2010 499-A form's error in the Request.

We appreciate your attention. Please do not hesitate to contact me at the number listed above, or Mr. Beard at 314-394-1535 or bbeard@cinnamonmueller.com, with any questions. Thank you.

Respectfully submitted,


Aaron Phillips

Cc: Bruce E. Beard, Esq.

¹ Coaxial's 2007-2009 499-A forms also contain this error, but USAC staff has informed us that the contributions would be *de minimis* for these years despite the error. See Email from Chang-Hua Chen, USAC to Elvis Stumbers, Counsel to Coaxial (Apr. 25, 2014) (attached). Accordingly, Coaxial is not seeking to revise the 2007-2009 forms.

² See *Wireline Competition Bureau Seeks Comment On Coaxial Cable Television Corporation's Request For Review of A Decision By The Universal Service Administrative Company*, Public Notice, DA 14-343 (rel. Mar. 12, 2014) ("Request").

³ Letter from Bruce E. Beard, Counsel to Coaxial, to Kimberly Scardino, FCC (May 12, 2014) (attached).

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Elvis Stumbergs

From: Chang-Hua Chen <cchen@usac.org>
Sent: Friday, April 25, 2014 10:25 AM
To: Elvis Stumbergs
Subject: FCC Forms 499-A filer ID 829816

After discussed the matter with our invoices analyst,
He indicated that for 2007-2009 499-A, filer ID 829816 is DM for those forms

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