

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of

Petition for Declaratory Ruling to Clarify ) 47 U.S.C. § 572 in the Context of Transactions ) Between Competitive Local Exchange Carriers ) and Cable Operators ) ) Conditional Petition for Forbearance from ) Section 652 of the Communications Act for ) Transactions Between Competitive Local ) Exchange Carriers and Cable Operators )	WC Docket No. 11-118
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**ORDER**

**Adopted: May 30, 2012**

**Released: May 30, 2012**

By the Chief, Wireline Competition Bureau:

1. In this Order, pursuant to section 10(c) of the Communications Act of 1934, as amended (the Act),<sup>1</sup> we extend by 90 days the date by which the petition, filed by the National Cable & Telecommunications Association (NCTA),<sup>2</sup> shall be deemed granted in the absence of a Commission decision that the petition fails to meet the standards for forbearance.<sup>3</sup>

2. Section 652 of the Act prohibits buyouts between cable operators and local exchange carriers (LECs) and their affiliates, subject to certain exceptions.<sup>4</sup> The Commission may waive this prohibition if certain criteria are satisfied, and if the relevant local franchising authorities approve of the Commission's waiver.<sup>5</sup> On June 21, 2011, NCTA filed a petition requesting, among other things, that the Commission forbear from applying section 652(b) to mergers and acquisitions between cable operators and competitive LECs.<sup>6</sup> NCTA alternatively seeks forbearance from the requirement contained in section 652(d)(6)(B) that relevant local franchising authorities (LFAs) must approve of a Commission waiver of section 652(b).

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<sup>1</sup> 47 U.S.C. § 160(c).

<sup>2</sup> Conditional Petition for Forbearance from Section 652 of the Communications Act for Transactions Between Competitive Local Exchange Carriers and Cable Operators, WC Docket No. 11-118 (filed June 21, 2011) (NCTA Petition for Forbearance).

<sup>3</sup> 47 U.S.C. § 160(a).

<sup>4</sup> 47 U.S.C. § 572; *see also* 47 C.F.R. § 76.505.

<sup>5</sup> 47 U.S.C. § 572(d).

<sup>6</sup> NCTA Petition for Forbearance at 2. On June 21, 2011, NCTA also filed a related petition for declaratory ruling asking the Commission to clarify that section 652 does not restrict transactions between cable operators and competitive LECs. *See* Petition for Declaratory Ruling to Clarify 47 U.S.C. § 572 in the Context of Transactions Between Competitive Local Exchange Carriers and Cable Operators, WC Docket No. 11-118, at 5 (filed June 21, 2011). NCTA seeks forbearance only if the Commission denies its petition for declaratory ruling. *See* NCTA Petition for Forbearance at 6.

3. Section 10(c) of the Act states that a petition for forbearance shall be deemed granted if the Commission does not deny the petition for failure to meet the requirements for forbearance under section 10(a) within one year after the Commission receives it, unless the Commission extends the one-year period.<sup>7</sup> The Commission may extend the initial one-year period by an additional 90 days if the Commission finds that an extension is necessary to meet the requirements of section 10(a).<sup>8</sup>

4. NCTA's petition for forbearance raises significant questions regarding whether forbearance from the application of section 652(b) or 652(d)(6)(B) meets the statutory requirements set forth in section 10(a). The Bureau thus finds that a 90-day extension is warranted under section 10(c).

5. Accordingly, IT IS ORDERED that, pursuant to section 10 of the Communications Act of 1934, as amended, 47 U.S.C. § 160, and authority delegated under sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291,<sup>9</sup> the date on which the petition seeking forbearance filed by the National Cable & Telecommunications Association shall be deemed granted, in the absence of a Commission denial of the petition for failure to meet the statutory standards for forbearance, is extended to September 19, 2012.

FEDERAL COMMUNICATIONS COMMISSION

Sharon E. Gillett  
Chief  
Wireline Competition Bureau

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<sup>7</sup> 47 U.S.C. § 160(c).

<sup>8</sup> *Id.*

<sup>9</sup> *See* 47 U.S.C. § 155(c).