

NOTICE OF PROPOSED RULEMAKING

Amendment to the Commission's Rules Concerning Effective Competition



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Competing Provider Effective Competition

- Defined in Section 623(l)(1)(B) of the Communications Act.
- PART 1: The franchise area must be served by at least 2 unaffiliated MVPDs each of which offers comparable video programming to at least 50% of the households in the franchise area.
- PART 2: The number of households subscribing to programming services offered by MVPDs other than the largest MVPD must exceed 15% of the households in the franchise area.



Current Presumption

In the absence of a demonstration to the contrary, cable systems are presumed not to be subject to effective competition.



Notice of Proposed Rulemaking

- FCC 15-30, MB Docket No. 15-53, adopted and released on March 16, 2015.
- **Potential New Presumption:** In the absence of a demonstration to the contrary, cable systems are presumed to be subject to competing provider effective competition.



Section 111 of the STELA Reauthorization Act of 2014 (STELAR)

Directs the Commission to establish a streamlined process for the filing of effective competition petitions by small cable operators, particularly those who serve primarily rural areas.



Potential New Procedures

- Franchising authority that wants to regulate basic cable rates files FCC Form 328 (certification request), as revised to require a demonstration that competing provider effective competition is not present.

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- Cable operator that wants to oppose certification could file a petition for reconsideration.

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- Ultimately Media Bureau would issue a ruling.



Status

- Comments are due April 9.
- Reply comments are due April 20.
- You can file comments via our Electronic Comment Filing System (ECFS), available at apps.fcc.gov/ecfs/upload/display.
- STELAR requires adoption of an order in the proceeding by June 2.

QUESTIONS?

