

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

In the Matter of ) CUID No. LA0024 (Ruston)  
)  
Cox Communications, Inc. )  
)  
Complaints Regarding )  
Cable Programming Services Tier Rates )

ORDER

Adopted: July 26, 2000

Released: July 28, 2000

By the Acting Chief, Financial Analysis and Compliance Division, Cable Services Bureau:

1. In this Order we consider a complaint<sup>1</sup> concerning the rate charged by the above-referenced operator ("Operator") for its cable programming services tier ("CPST") in the community referenced above.<sup>2</sup> We have already issued a separate order in which we found Operator's CPST rate in effect through May 14, 1994 to be reasonable ("Prior Order").<sup>3</sup> In our Prior order, we stated that our findings "do not in any way prejudice the reasonableness of the prices for CPS service after May 14, 1994 under our new rate regulations."<sup>4</sup> This Order addresses only the reasonableness of Operator's CPST rate in effect beginning May 15, 1994.

2. Under the Communications Act,<sup>5</sup> the Federal Communications Commission ("Commission") is authorized to review the CPST rates of cable systems not subject to effective competition to ensure that rates charged are not unreasonable. The Cable Television Consumer Protection and Competition Act of 1992<sup>6</sup> ("1992 Cable Act") required the Commission to review CPST rates upon the filing of a valid complaint by a subscriber or local franchising authority ("LFA"). The filing of a complete and timely complaint triggers an obligation upon the cable operator to file a justification of its CPST rates.<sup>7</sup> The Operator has the burden of demonstrating that the CPST rates complained about are reasonable.<sup>8</sup> If the Commission finds a rate to be unreasonable, it shall determine the correct rate and any refund liability.<sup>9</sup>

<sup>1</sup> The first valid complaint against Operator's CPST rate in the community referenced above was filed on February 25, 1994. No additional complaints have been filed with the Federal Communications Commission.

<sup>2</sup> On October 13, 1999, the Federal Communications Commission received notification, pursuant to 47 C.F.R. § 76.400, of a change in operator from Telecable Associates, Inc. to Cox Communications, Inc.

<sup>3</sup> See In the Matter of Telecable Associates, Inc., DA 95-1195, 10 FCC Rcd 6541 (1995).

<sup>4</sup> *Id.* at n. 1.

<sup>5</sup> Communications Act, Section 623(c), *as amended*, 47 U.S.C. § 543(c) (1996).

<sup>6</sup> Pub. L. No. 102-385, 106 Stat. 1460 (1992).

<sup>7</sup> See Section 76.956 of the Commission's Rules, 47 C.F.R. § 76.956.

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

3. Operators must use the FCC Form 1200 series to justify rates for the period beginning May 15, 1994.<sup>10</sup> Cable operators may file a FCC Form 1210 to justify quarterly rate increases based on the addition and deletion of channels, changes in certain external costs and inflation.<sup>11</sup> Operators may justify their rates on an annual basis using FCC Form 1240 to reflect reasonably certain and quantifiable changes in external costs, inflation, and the number of regulated channels that are projected for the twelve months following the rate change.<sup>12</sup> Any incurred cost that is not projected may be accrued with interest and added to rates at a later time.<sup>13</sup>

4. Upon review of Operator's FCC Form 1200, we find Operator's actual CPST rate of \$6.94, effective May 15, 1994, to be reasonable.<sup>14</sup>

5. Accordingly, IT IS ORDERED, pursuant to Section 0.321 of the Commission's rules, 47 C.F.R. § 0.321 that the CPST rate of \$6.94, charged by Operator in the community referenced above, effective May 15, 1994, IS REASONABLE.

6. IT IS FURTHER ORDERED, pursuant to Section 0.321 of the Commission's rules, 47 C.F.R. § 0.321, that the complaint referenced herein against the rate charged by Operator in the community referenced above IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Kathleen F. Costello, Acting Chief  
Financial Analysis and Compliance Division  
Cable Services Bureau

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<sup>9</sup> See Section 76.957 of the Commission's Rules, 47 C.F.R. § 76.957.

<sup>10</sup> See Section 76.922 of the Commission's Rules, 47 C.F.R. § 76.922.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> This finding is based solely on the representations of Operator. Should information come to our attention that these representations were materially inaccurate, we reserve the right to take appropriate action. This Order is not to be construed as a finding that we have accepted as correct any specific entry, explanation or argument made by any party to this proceeding not specifically addressed herein.