

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

In the Matter of)
Post Cablevision of Texas, LP) CUID No. TX2098 (Burleson)
Cost of Service Showing to Support) CSR No. 4441-R
Basic Service Tier Rate)

ORDER

Adopted: February 3, 2000

Released: February 4, 2000

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

1. The above-referenced operator ("Operator")¹ filed a cost of service FCC Form 1220 with the local franchising authority ("LFA") for the above-referenced community to justify its rate for its basic service tier ("BST") in the community referenced above. On September 16, 1994, the LFA filed a petition for special relief ("Petition") with the Federal Communications Commission ("Commission"), pursuant to the Commission's rules,² requesting that the Commission review the BST cost of service filing. Operator's Petition was granted on April 28, 1995.³ This Order addresses only the reasonableness of Operator's BST rate of \$20.99, effective May 15, 1994.

2. To justify rates for the period beginning May 15, 1994, operators must use the FCC Form 1200 series.⁴ Cable operators attempting to justify their rates through a cost of service showing must complete and file FCC Form 1220.⁵ In reviewing an operator's FCC Form 1220 cost of service showing, we evaluate the operator's rate base and expense elements to determine whether the operator should be permitted to recover those items. Where a certain rate base or expense element is not justified under our rules, such cost is disallowed in whole or in part.⁶ Where reported costs are disallowed, we make appropriate

¹ The term "Operator" as used in this Order includes Operator's predecessors in interest. On February 5, 1997, the Federal Communications Commission received notification, pursuant to Section 76.400 of the Commission's rules, of a change of system operator to Post Cablevision of Texas, LP.

² 47 C.F.R. §76.933(d).

³ See Letter dated April 28, 1995 from Jacqueline Spindler, Deputy Chief, Financial Analysis and Compliance Division, Cable Services Bureau.

⁴ See Section 76.922 of the Commission's Rules, 47 C.F.R. §76.922.

⁵ See Section 76.922(l) of the Commission's Rules, 47 C.F.R. §76.922(l). See also, Second Report and Order, First Order on Reconsideration, and Further Notice of Proposed Rulemaking, MM Docket No. 93-215 and CS Docket No. 94-28, FCC 95-502, 11 FCC Rcd 2220 (1996) ("Final Cost Order").

⁶ The Commission made clear that the fact that an operator has incurred costs does not necessarily establish its right to recover those costs from subscribers. See Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation, MM Docket No. 92-266, Report and Order and Further Notice of Proposed

adjustments.

3. Upon review of Operator's FCC Form 1220, we find Operator's actual BST rate of \$20.99, effective May 15, 1994, to be reasonable.⁷

4. Accordingly, IT IS ORDERED, pursuant to Sections 0.321 and 76.933(d) of the Commission's rules, 47 C.F.R. § 0.321 and § 76.933(d), that the BST rate of \$20.99, charged by Operator in the franchise area referenced above, effective May 15, 1994, IS REASONABLE.

5. IT IS FURTHER ORDERED, pursuant to Sections 0.321 and 76.933(d) of the Commission's rules, 47 C.F.R. § 0.321 and § 76.933(d), that this Order is binding on the LFA and Operator.

FEDERAL COMMUNICATIONS COMMISSION

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

Rulemaking, 8 FCC Rcd 5631, 5794 at n. 619 (1993) ("Rate Order").

⁷ 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.