

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

In the Matter of )  
 ) CUID No. MO0230 (Ballwin)  
Charter Communications Entertainment I, LP )  
 )  
Complaint Regarding )  
Cable Programming Services Tier Rates )

ORDER

Adopted: March 29, 2000

Released: March 31, 2000

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

1. In this Order we consider a complaint against the October 1, 1995 rate increase by the above-referenced operator ("Operator") for its cable programming services tier ("CPST") in the community referenced above. This Order addresses only the reasonableness of Operator's October 1, 1995 CPST rate increase.

2. Under the Communications Act,<sup>1</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. If the Commission finds a rate to be unreasonable, it shall determine the correct rate and any refund liability.<sup>2</sup> The Cable Television Consumer Protection and Competition Act of 1992 ("1992 Cable Act")<sup>3</sup> requires the Commission to review CPST rates upon the filing of a valid complaint by a subscriber or local franchise authority ("LFA").

3. To justify rates for the period beginning May 15, 1994, operators must use the FCC Form 1200 series.<sup>4</sup> Cable operators attempting to justify their rates through a cost of service showing must complete and file FCC Form 1220.<sup>5</sup> 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

<sup>1</sup>Communications Act, Section 623(c), as amended, 47 U.S.C. §543(c) (1996).

<sup>2</sup>See Section 76.957 of the Commission's Rules, 47 C.F.R. §76.957.

<sup>3</sup>Pub. L. No. 102-385, 106 Stat. 1460 (1992).

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

<sup>5</sup>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").

rules, such cost is disallowed in whole or in part.<sup>6</sup> Where reported costs are disallowed, we make appropriate adjustments.

4. Upon review of Operator's FCC Form 1220, we find Operator's actual CPST rate of \$14.34, effective October 1, 1995, to be reasonable.<sup>7</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 \$14.34, charged by Operator in the franchise area referenced above, effective October 1, 1995, 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 CPST rate charged by Operator in the community set forth above, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

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

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<sup>6</sup>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 Rulemaking, 8 FCC Rcd 5631, 5794 at n. 619 (1993) ("Rate Order").

<sup>7</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.