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

| Blakely Cable Television, Inc. Operator of Cables Systems in: Columbia, Alabama Baconton, Georgia Blakely, Georgia Leary, Georgia Description: File No. EB-0 Operator of Cables Systems in: Description: File No. EB-0 Operator of Cables Systems in: Description: File No. EB-0 Operator of Cables Systems in: Description: Operator of Cables Systems in: Operator of Cables S | |
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| Morgan, Georgia) | |
| Newton, Georgia) | |
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| Request for Waiver of Section 11.11(a) of the | |
| Commission's Rules) | |

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

1. In this *Order*, we grant Blakely Cable Television, Inc. ("Blakely Cable") temporary waivers of Section 11.11(a) of the Commission's Rules ("Rules") for the six above-captioned cable television systems. Specifically, we grant a 12-month waiver for the cable system in Blakely, Georgia and a 36-month waiver for the cable systems in Columbia, Alabama and Baconton, Leary, Morgan, and Newton, Georgia. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.¹

ORDER

Released: July 14, 2003

2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.² In 1994, the Commission adopted rules requiring cable systems to participate in EAS.³ In 1997, the

Adopted: July 9, 2003

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¹ 47 C.F.R. § 11.11(a).

² Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations" 47 U.S.C. § 544(g).

³ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

Commission amended the EAS rules to provide financial relief for small cable systems.⁴ Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).⁵ However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.⁶ In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.⁷ The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.8

- 3. Blakely Cable filed a request for temporary, 12-month and temporary, 36-month waivers of Section 11.11(a) for the six captioned small, rural cable systems on September 30, 2002. In support of its waiver request, Blakely Cable states that the Blakely, Georgia system serves 1,676 subscribers and that each of the five other systems serve between 57 and 251 subscribers. Based on price quotes from EAS equipment manufacturers, Blakely Cable estimates that it would cost a total of approximately \$60,000 to install EAS equipment at each of these systems. Blakely Cable asserts that this cost will impose a substantial financial hardship on it and provides its financial statements for 2000 and 2001 in support of this assertion. In addition, Blakely Cable submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, Blakely Cable notes that its subscribers currently have access to national EAS messages on at least 46 percent of all programmed channels. Blakely Cable further submits that its subscribers will have access to EAS information through over-the-air reception of broadcast television and radio stations.
- 4. Based upon our review of the financial data and other information submitted by Blakely Cable, we conclude that a temporary, 12-month waiver of Section 11.11(a) for one of the captioned cable systems and a temporary, 36-month waiver of Section 11.11(a) for five of the captioned cable systems are warranted. In particular, we find that the \$60,000 cost of EAS equipment for these small cable systems could impose a financial hardship on Blakely Cable.

⁴ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and Order").

⁵ *Id.* at 15512-13.

⁶ Id. at 15516-15518.

⁷ *Id.* at 15513.

⁸ *Id.* at 15513, n. 59.

⁹ The 12-month waiver will extend from October 1, 2002 until October 1, 2003 and the 36-month waivers will

- 5. We note that the Commission recently amended the EAS rules to permit cable systems serving fewer than 5,000 subscribers to install FCC-certified decoder-only units, rather than both encoders and decoders, if such a device becomes available.¹⁰ Based on comments from equipment manufacturers, we anticipate that such a decoder-only system could result in significant cost savings to small cable systems.¹¹
- 6. Accordingly, **IT IS ORDERED** that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules, ¹² Blakely Cable Television, Inc. **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2003 for the cable television system in Blakely, Georgia and **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2005 for the cable television systems in Columbia, Alabama; Baconton, Georgia; Leary, Georgia; Morgan, Georgia and Newton, Georgia.
- 7. **IT IS FURTHER ORDERED** that Blakely Cable Television, Inc. place a copy of this waiver in its system files.
- 8. **IT IS FURTHER ORDERED** that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested to counsel for Blakely Cable Television, Inc., Christopher C. Cinnamon, Esq., Cinnamon Mueller, 307 North Michigan Avenue, Suite 1020, Chicago, Illinois 60601.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey Chief, Technical and Public Safety Division Enforcement Bureau

extend from October 1, 2002 until October 1, 2005. We clarify that the waivers we are granting also encompass the EAS testing and monitoring requirements.

¹⁰ Amendment of Part 11 of the Commission's Rules Regarding the Emergency Alert System, EB Docket 01-66, FCC 02-64 at ¶ 71 (released February 26, 2002).

¹¹ One manufacturer estimated that an EAS decoder-only system can reduce the cost by 64% over what a cable operator would spend for an encoder/decoder unit. *Id.* at \P 70.

¹² 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.