

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

In the Matter of )
Cablevision Systems Long Island Corporation )
Cablevision Systems Huntington Corporation ) CSR 8236-E
Cablevision Systems Westchester Corporation ) CSR 8237-E
Petition for a Determination of Effective )
Competition in Five Franchise Areas in New York )
State )

MEMORANDUM OPINION AND ORDER

Adopted: December 28, 2009

Released: December 29, 2009

By the Senior Deputy Chief, Policy Division, Media Bureau:

I. INTRODUCTION AND BACKGROUND

1. Cablevision Systems Long Island Corporation, Cablevision Systems Huntington Corporation, and Cablevision Systems Westchester Corporation, hereinafter referred to collectively as "Petitioner," have filed with the Commission a petition pursuant to Sections 76.7 and 76.905(b)(4) and 76.907 of the Commission's rules for a determination that Petitioner is subject to effective competition in those communities listed on Attachment A and hereinafter referred to as the "Communities." Petitioner alleges that its cable systems serving the Communities are subject to effective competition pursuant to Section 623(1)(1)(D) of the Communications Act of 1934, as amended ("Communications Act")<sup>1</sup> and the Commission's implementing rules,<sup>2</sup> and are therefore exempt from cable rate regulation in the Communities because of the competing service provided by Verizon New York Inc., hereinafter referred to as "Competitor."<sup>3</sup> The petition is unopposed.

2. In the absence of a demonstration to the contrary, cable systems are presumed not to be subject to effective competition,<sup>4</sup> as that term is defined by Section 623(l) of the Communications Act and Section 76.905 of the Commission's rules.<sup>5</sup> The cable operator bears the burden of rebutting the presumption that effective competition does not exist with evidence that effective competition is present within the relevant franchise area.<sup>6</sup> For the reasons set forth below, we grant the Petition based on our finding that Petitioner is subject to effective competition in the Communities listed on Attachment A.

<sup>1</sup>See 47 U.S.C. § 543(1)(1)(D).

<sup>2</sup>47 C.F.R. § 76.905(b)(4).

<sup>3</sup> Petitioner states that, to the best of its knowledge, its cable rates in two of the Communities (the Village of Asharoken and the Town of Pound Ridge) have never been regulated, either by the local governments or the New York Public Service Commission. Petitioner nevertheless seeks to be free of rate regulation because "Verizon's provision of cable service in both of these communities removes any doubt regarding the absence of authority to regulate Cablevision's rates" there. See Petition at 4 n.5. We find no flaw in Cablevision's reasoning and filing petitions concerning Communities where there is no present regulation.

<sup>4</sup>47 C.F.R. § 76.906.

<sup>5</sup>See 47 U.S.C. § 543(l) and 47 C.F.R. § 76.905.

<sup>6</sup>See 47 C.F.R. §§ 76.906 & 907.

## II. DISCUSSION

3. Section 623(l)(1)(D) of the Communications Act provides that a cable operator is subject to effective competition if a local exchange carrier (“LEC”), or its affiliate, offers video programming services directly to subscribers by any means (other than direct-to-home satellite services) in the franchise area of an unaffiliated cable operator which is providing cable service in that franchise area, but only if the video programming services offered in that area are comparable to the video programming services provided by the competing unaffiliated cable operator.<sup>7</sup> This test is otherwise referred to as the “LEC” test.

4. The Commission has stated that the incumbent cable operator must show that the LEC intends to build-out its cable system within a reasonable period of time if it has not completed its build-out; that no regulatory, technical, or other impediments to household service exist; that the LEC is marketing its services so that potential customers are aware that the LEC’s services may be purchased; that the LEC has actually begun to provide services; the extent of such services; the ease with which service may be expanded; and the expected date for completion of construction in the franchise area.<sup>8</sup> It is undisputed that these Communities are served by both Petitioner and Competitor, a local exchange carrier, and that these two MVPD providers are unaffiliated. The “comparable programming” element is met if a competing MVPD provider offers at least 12 channels of video programming, including at least one channel of nonbroadcast service programming<sup>9</sup> and is supported in this petition with copies of channel lineups for Competitor.<sup>10</sup> Finally, Petitioner has demonstrated that the Competitor has commenced providing video programming service within the Communities, has marketed its services in a manner that makes potential subscribers reasonably aware of its services, and otherwise satisfied the LEC effective competition test consistent with the evidentiary requirements set forth in the *Cable Reform Order*.<sup>11</sup>

5. Based on the foregoing, we conclude that Petitioner has submitted sufficient evidence demonstrating that its cable systems serving the Communities have met the LEC test and are subject to effective competition.

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<sup>7</sup>See 47 U.S.C. § 543(l)(1)(D).

<sup>8</sup>See *Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996*, 14 FCC Rcd 5296, 5305-06, ¶¶ 13-15 (1999) (“*Cable Reform Order*”).

<sup>9</sup>See 47 C.F.R. § 76.905(g). See also Petition at 13.

<sup>10</sup>See Petition at Exh. 8.

<sup>11</sup>See *Cable Reform Order*, 14 FCC Rcd at 5305-06, ¶¶ 13-15. See also Petition at 5-13 & Exhs. 5-7.

**III. ORDERING CLAUSES**

6. Accordingly, **IT IS ORDERED** that the petition for a determination of effective competition filed in the captioned proceeding by Cablevision Systems Long Island Corporation, Cablevision Systems Huntington Corporation, and Cablevision Systems Westchester Corporation **IS GRANTED**.

7. **IT IS FURTHER ORDERED** that the certification to regulate basic cable service rates granted to, or exercised on behalf of, any of the Communities set forth on Attachment A **IS REVOKED**.

8. This action is taken pursuant to delegated authority pursuant to Section 0.283 of the Commission's rules.<sup>12</sup>

FEDERAL COMMUNICATIONS COMMISSION

Steven A. Broeckaert  
Senior Deputy Chief, Policy Division, Media Bureau

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<sup>12</sup>47 C.F.R. § 0.283.

## ATTACHMENT A

## CSR 8236-E, CSR 8237-E

**COMMUNITIES SERVED BY CABLEVISION SYSTEMS LONG ISLAND CORPORATION,  
CABLEVISION SYSTEMS HUNTINGTON CORPORATION, AND CABLEVISION SYSTEMS  
WESTCHESTER CORPORATION****Communities            CUID(s)****CSR 8236-E**

Cablevision Systems Long Island Corporation

Long Beach (City)    NY0740

Sea Cliff (Village)    NY0791

Westbury (Village)    NY0703

Cablevision Systems Huntington Corporation

Asharoken (Village)    NY1010

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Cablevision Systems Westchester Corporation

Pound Ridge (Town)    NY1489