

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

In the Matter of	)	
	)	
TCI Cablevision of	)	
Southwest Texas	)	CUID No. TX0484 (Kerrville)
	)	
Complaint Regarding	)	
Cable Programming Services Tier	)	
Rate Increase	)	

**ORDER**

Adopted: September 29, 1996

Released: October 11, 1996

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

1. In this Order we consider a complaint concerning the June 1, 1996 rate increase of TCI Cablevision of Southwest Texas ("TCI") for its cable programming services tier ("CPST") in the above-referenced community. This Order addresses the reasonableness of TCI's rate increase of \$2.69 that became effective on June 1, 1996. We conclude that TCI's June 1, 1996 CPST rate increase is not unreasonable.

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 the rate unreasonable, it shall determine the correct rate and any refund liability.<sup>2</sup> The Telecommunications Act of 1996<sup>3</sup> ("1996 Act") and our rules implementing the new legislation,<sup>4</sup> require that complaints against the CPST rates be filed with the Commission by a local franchising authority ("LFA") that has received subscriber complaints. An LFA may not file a CPST rate complaint unless, within 90 days after such increase becomes effective, it receives

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<sup>1</sup> Communications Act, Section 623(c), *as amended*, 47 U.S.C. Section 543(c)(3) (1996).

<sup>2</sup> See 47 U.S.C. Section 543(c) (1993).

<sup>3</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (February 8, 1996) ("1996 Act").

<sup>4</sup> See Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996, 11 FCC Rcd 5937 ("Interim Rules").

subscriber complaints. This standard requires more than one subscriber rate complaint. The provisions under the 1996 Act became effective upon its enactment on February 8, 1996.<sup>5</sup>

3. The City of Kerrville ("City") filed a complaint on August 28, 1996 regarding the June 1, 1996 increase in TCI's CPST rate in the above-referenced community. In its complaint, the City asserts that it has received more than one subscriber complaint against TCI's CPST rate increase, thereby triggering the Commission's jurisdiction to review this complaint. The valid complaint from the LFA triggers an obligation on behalf of the cable operator to file a justification of its CPST rates with the LFA.<sup>6</sup> TCI filed a FCC Form 1240 with the City on March 4, 1996 as justification for this rate increase, as required by our rules. In its response, TCI asserts that its June 1, 1996 rate increase is justified by the FCC Form 1240 filed with the Commission on August 28, 1996.

4. Upon review of TCI's FCC Form 1240, we find no apparent errors in TCI's calculation of its CPST rate increase.<sup>7</sup> We conclude, therefore, that TCI's CPST rate increase of \$2.69 which went into effect on June 1, 1996 is justified.

5. Accordingly, IT IS ORDERED, pursuant to Section 0.321 of the Commission's Rules, 47 C.F.R. § 0.321, that TCI Cablevision of Southwest Texas' CPST rate increase of \$2.69 which went into effect on June 1, 1996 IS NOT UNREASONABLE.

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 June 1, 1996 CPST rate increase charged by TCI Cablevision of Southwest Texas in the community referenced above, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Elizabeth W. Beaty  
Chief, Financial Analysis and Compliance Division  
Cable Services Bureau

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<sup>5</sup> See Communications Act, Section 623(c), *as amended*, 47 U.S.C. Section 543(c)(3) (1996).

*Id.*

<sup>7</sup> This finding is based solely on the representations of TCI in its rate filings. 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.