



United States Senate
WASHINGTON, DC 20510-0504
<http://feinstein.senate.gov>

422

May 25, 2016

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler:

I write in response to the Federal Communications Commission's Notice of Proposed Rulemaking in the Matter of Expanding Consumers' Video Navigation Choices and Commercial Availability of Navigation Devices, dated Feb. 18, 2016. While I am glad that the Commission is seeking to provide consumers with more freedom to choose their own set-top (cable) box, I encourage the Commission to do so in a way that will maintain ongoing improvements in energy efficiency and avoid any adverse impact on content providers.

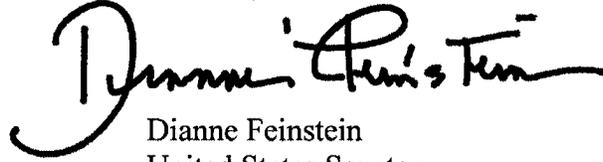
I support the Commission's effort to foster competition in the marketplace for set-top boxes. The current market for set-top boxes is dominated by the cable providers who charge consumers on average \$231 per year to lease their cable boxes. Cable providers collect nearly \$20 billion per year in revenues from leasing cable boxes. Introducing competition into this market will spark innovation and help lower consumers' cable bills.

Although I support the Commission's effort to provide consumers with more choice, I am gravely concerned that the Commission has not fully considered the potential negative impact on content providers. Content providers rely on strong copyright protections such as anti-piracy technology in set-top boxes to protect their creative work. Content providers also rely on heavily negotiated licenses and distribution agreements to ensure that they are fairly compensated for their work. I am concerned that third-parties could create devices that enable piracy and hinder the ability of content providers to control their creative work. I urge you to ensure that any final rule issued by the Commission adequately protects the rights of content providers.

The Commission should also be aware that the cable industry is pursuing a voluntary agreement with the Department of Energy to improve set-top box energy efficiency by up to 45% by 2017. These improvements will save 5 million tons of carbon dioxide emissions and an estimated \$1 billion per year in avoided electricity costs. I encourage the Commission to tailor the final rule to preserve these energy efficiency improvements.

Thank you for your time and attention to this important matter. I am confident that the Commission will be able to resolve these concerns at the same time as it expands the ability of customers to use the devices of their own choice in a competitive marketplace.

Sincerely,

A handwritten signature in black ink that reads "Dianne Feinstein". The signature is written in a cursive style with a large initial "D" and a horizontal line at the end.

Dianne Feinstein
United States Senator

cc: Commissioners Clyburn, Rosenworcel, Pai, O'Rielly