

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

In the Matter of	)	CUID No. VA0345 (City of Bedford)
	)	CSR No. 4321-R
Cable Equities of the Virginias', Inc.	)	
	)	
Small System Filing to Support	)	
Basic Cable Services Tier	)	

**ORDER**

**Adopted: February 13, 2002**

**Released: February 15, 2002**

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

1. In this Order we consider the rate that the above-captioned operator ("Operator") was charging for its basic service tier ("BST") in the community referenced above. On September 26, 1994, the City of Bedford ("City") petitioned the Federal Communications Commission ("Commission") requesting assistance in reviewing Operator's BST cost of service showing. The Commission granted the City's request.<sup>1</sup> On September 19, 1995 Operator filed an FCC Form 1230, seeking to justify its BST rate through the simplified small system cost of service procedures pursuant to the Commission's *Sixth Report and Order and Eleventh Order on Reconsideration* ("Small Systems Order").<sup>2</sup> In this Order, we grant Operator's request for small system relief under the Small Systems Order and, based on our review of Operator's FCC Form 1230 filing, find its BST rate to be reasonable.

2. In an effort to offer small cable companies administrative relief from rate regulation, the Commission amended the definition of small cable companies and small systems and introduced a simplified form of small system rate relief in the Small Systems Order. Operators attempting to justify their rates through small system relief must file FCC Form 1230.<sup>3</sup> FCC Form 1230 requires that the Operator Selected Per Subscriber Monthly Programming Rate Per Channel (FCC Form 1230, Line A11) not exceed the Per Subscriber, Per Channel Monthly Programming Costs (FCC Form 1230, Line A6).<sup>4</sup> If the maximum rate established on FCC Form 1230 (Line A10) does not exceed \$1.24 per channel, the rate shall be presumed reasonable.<sup>5</sup> Cable systems serving 15,000 or fewer subscribers, and owned by a company having 400,000

<sup>1</sup> See Letter from Jacqueline Spindler, Deputy Chief, Consumer Protection Division, Cable Services Bureau, to Douglas W. Harold, Jr., Esquire.

<sup>2</sup> Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation; Sixth Report and Order and Eleventh Order on Reconsideration, MM Docket Nos. 92-266 and 93-215, FCC 95-196, 10 FCC Rcd 7393 (1995).

<sup>3</sup> The FCC Form 1230 is a one-page form "on which the system inserts its expense, rate base, rate of return, channel count and subscriber count figures and then calculates its permitted rate." Small Systems Order at ¶ 64.

<sup>4</sup> See Instructions for Line A11, FCC Form 1230, page 3.

<sup>5</sup> See 47 C.F.R. Section 76.934(h) (1996).

or fewer subscribers, may elect to use the small system rate mechanism found in FCC Form 1230 in lieu of other Commission rate processes, provided the Commission has not reached a final resolution on the rate complaints filed against the system.<sup>6</sup>

3. We have previously found that Operator is eligible for small system relief.<sup>7</sup> Upon review of Operator's FCC Form 1230, we find that Operator's actual CPST rate of \$7.91, as reported on Line A11, is reasonable.<sup>8</sup>

4. Accordingly, IT IS ORDERED, pursuant to Section 0.321 of the Commission's rules, 47 C.F.R. § 0.321, that Operator's request for small system relief, for the system in the community referenced above, IS GRANTED.

5. IT IS FURTHER ORDERED, pursuant to Section 0.321 of the Commission's rules, 47 C.F.R. § 0.321, that the monthly BST rate of \$7.91, charged by Operator in the community referenced above effective May 15, 1994, IS REASONABLE.

6. IT IS FURTHER ORDERED, pursuant to Sections 76.933(d) and 0.321 of the Commission's rules, 47 C.F.R. §§ 76.933(d) and 0.321, that this decision is binding on the local franchising authority, the City of Bedford, Virginia, and the cable operator, Cable Equities of the Virginias', Inc.

FEDERAL COMMUNICATIONS COMMISSION

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

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<sup>6</sup> Small Systems Order at ¶ 75.

<sup>7</sup> See In the Matter of Cable Equities of the Virginias', Inc. 10 FCC Red 12576 (1995).

<sup>8</sup> These findings are based solely on the representations of the 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.