CTTAB

January 14, 2014

Office of Cable Communications, Director’s Report

**HD Boxes to Mayor’s Office**: Brenda Tate from the Cable Office worked with Comcast to secure set top boxes for the Mayor’s office that are capable of delivering the Seattle Channel in HD.

**CenturyLink cabinets:** I met with the Ray Outlaw from EnviroIssues. Ray is a consultant hired by SDOT to lead stakeholder group discussions. There will be several additional stakeholder meetings over the next few weeks. The goal of the stakeholder group is to help the City develop an informed and thorough proposal for the Council to consider that includes siting, mitigation, and noticing requirements for telecommunication cabinets in the public right-of-way. I will soon meet with SDOT and CenturyLink to review CenturyLink research on alternative deployments.

**Online Survey:** We are awaiting final approval for launching our online survey relating to community cable needs and interests. Once approved it will be available at: [www.seattle.gov/cable/franchiserenewal.htm](http://www.seattle.gov/cable/franchiserenewal.htm)

**Amendments to Cable Code (SMC21.60):** We are almost done finalizing the draft amendments to the cable code. After review and approval we plan to provide the draft to the cable operators and CenturyLink by mid-February. I will brief CTTAB about the amendments at a later date.

**DC Court of Appeals ends FCC Open Internet Rules:** In a blow to hope for an open Internet, today the DC Court struck down most of the FCC’s 2011 Open Internet rules. These rules required all landline ISPs to treat all Internet traffic equally. It was not a total loss in that the Court actually gave the FCC a chance to try again. The court appears to be saying that while the FCC may have the authority to promulgate rules for network neutrality it cannot apply Title II (telephone common carrier) regulations on ISPs since it lacks statutory authority and the FCC chose to classify Internet access as an unregulated Title I Information service. The FCC had been roundly criticized by public interest groups for not classifying and regulating Internet access as a Title II telecommunications service. Incredibly, the Court based its decision in part by saying that consumers have options for Internet access and therefore cable and phone companies do not exerciseundue market power. Try telling the people of Seattle that. The FCC is considering whether to appeal. Read the [DC Circuit Opinion](http://r20.rs6.net/tn.jsp?f=001N1NCt9DYAjGpfkNqGvgkFXXQ0pAESo8jJWcsqqggV5B6sMreeoyaDaevTke0-FiorRXEh4Pb9gR4PwGy3pEW2-h8mqW7NYqG2ttayG7mLlJ1QDxWACB640B4VIM4CLCtVZs0OF4HgWuwXSLO6lIsVkaq-HlcN_BMHWMgAi6w527VG4yemaqsqV-AMpcEBNelwvlBqZrZRhTB8HTKZraHu_fgv1lDETu7szMDxCBmXWZL6eLFzHTDiHC-QoSZIrHIINLMRjQzc8C2FKTrXM7KJdZoUuwyjV7fUoF9GmCH5To=&c=DUsh442sCJgJCpMz9PfSYk-T3aZqJUGkymkXg_miqEFGxnNYmJ6eUQ==&ch=q0vj4fMkzvZh2SFHSHdAqGPHihQM0VPqdyr26-6UMOM0eZ52pyaobw==).

**Charter makes bid for Time Warner:** In a sign of increasing consolidation in the cable industry, yesterday Charter offered to buy Time Warner cable for more than $60Billion. TW has rejected the offer. Other suitors including Comcast may make higher bids. We expect increased consolidation in the industry as the big players try to increase their economies of scale to extract better deals from content producers and broadcasters. If the FCC takes a cautious approach on net neutrality due to the DC Court decision, we will likely see the price of cable companies increase.

**Supreme Court to Decide on Legality of Aereo**: SCOTUS will consider a lawsuit filed by broadcasters against Aereo. As you may know Aereo receives free over-the-air television broadcasts and sends them to its customers over the Internet. The broadcasters are upset that Aereo does not pay retransmission consent fees like the cable and satellite companies do. If Aereo prevails it will lead to a major shakeup in the broadcast, cable and satellite business.