

HIGHLIGHTS

TECHNICAL EYE OPENER WORKSHOP

THE RELATIONSHIP BETWEEN FEDERAL/STATE/MUNICIPAL
CONTROL IN TECHNICAL STANDARDS

Sponsor

Society of Cable Television Engineers

National Organizer

Robert Bilodeau
Suffolk Cablevision
Central Islip, New York

Organizer/Moderator

Joe E. Hale
Cable Dynamics
Burlingame, California

Panelists

Sydney Lines
FCC
Wash., D.C.

Delmer C. Ports
NCTA
Wash., D.C.

Vic Nicholson
Cable Television Information
Center
Wash., D.C.

Michelle Rosen
Cable TV Office
Newark, N.J.

Reporter

Robert Bilodeau
Suffolk Cablevision
Central Islip, New York

Moderator/Organizer Joe Hale set the stage for this controversial issue with an analogy that dramatized the irreversible nature of government regulation. After noting the absence of Ken Foster of the New York State Cable Commission, due to illness, four panelist presented their respective viewpoints. Vic Nicholson, on behalf of the municipal interest in the subject, recited from a paper prepared for the event. Representing the Cable Television Information Center, he advocates and encourages the dualism between municipal authority and the Federal Communications Commission with regard to jurisdiction-to the exclusion of the state. Further the Center disagrees with the NCTA position that a single authority (FCC) can set up and administer standards that can universally apply to both the rural and urban situations. The Center recommends that local authorities accept or expand upon established FCC guidelines to adapt to their local requirements. The example of tighter standards specified by consultants and manufacturers alike in the urban markets supports this argument Mr. Nicholson contends. He singled out carrier-to-noise and intermodulation as two technical areas of genuine concern for local authorities plus the need for additional standards (not yet defined by the FCC) for echoes, color quality, etc. Citing anticipated delays of several years by the FCC to adequately provide all applicable standards Mr. Nicholson recommended that municipalities should

step in and fill this void. Such factors as quality of construction, safety and component selection for the environment may be a matter of genuine concern for local authorities also, he said.

Mr. Sidney Lines next described the genesis of the technical standards and the role that the FCC intends to play to fulfill its obligations to the public. Mr. Lines pinpointed the opening of the doors to state and local regulation by quoting from an FCC statement issued in early 1972. "We see no reason why franchising authorities may not now require more stringent technical standards than in our rules." In retrospect Mr. Lines felt this an "incredible naive position." The FCC is presently disturbed, he felt, by the expansive use of this implied license that local and state authorities have aimlessly assumed without a complete understanding of the "delicate" balance between cable economics and cable technology." Furthermore he suggested there is no evidence put forth of the expertise necessary to generate and enforce technical standards. On the other hand, the FCC is preceeding "as promised" drawing from competent technical advice via the Technical Advisory Committee and will revise and augment its technical standards as requirements indicate.

Mrs. Michelle Rosen, representing the State of New Jersey CATV Cable Office described the role of New Jersey in the development of standards. Opting to the state's rights posture Mrs. Rosen said that states could expand on a set of federal standards as they saw fit if they acted in the public interest and such extensions were deemed economically and practically feasible. In her opinion the federal role would then be limited to the setting of minimum performance standards aimed at facilitating national interconnection capability. New Jersey's present standards she said are skeletal by nature and will be expanded with inputs from a task force to be set up within the state. She described in detail New Jersey's definition of public interest specifically as it differed from some popular definitions. "Public interest is not synonymous with strict standards." "It is not a consumer item at minimum prices." "It is not a CATV company's be damned credo." "It does imply the existence of no special interest toward favored groups

and must consider the financial character of CATV operators." "By pursuing this definition the cable office of New Jersey is not structured merely to demonstrate its ability to promulgate rules." The advantages of local awareness and subscriber access, she felt, favored the State vis-a-vis the Federal government as the primary regulatory body pointing out that present New Jersey State law limits the role of the municipalities in the area of technical standards. Mrs. Rosen summarized the position of the New Jersey cable office as one which is coincident with FCC comments and the direction of the Federal/State Advisory Committee.

Delmer Ports stated the position of the NCTA which is one often stated by operators concerned with regulation. The optimum situation, he felt, was one that compares the best possible performance consistent with the public interest and economic viability. "How to arrive at that point is the real issue." Mr. Ports differentiated between the broadcaster (who functions to serve his customer, the advertiser), and the CATV operator (who functions to serve his customer, the viewer). This distinction, in his opinion, places more directly the onus of quality-of-service on the cable operators back, and uniquely preempts the need for strict standards. Citing the four variables of public interest, competition in the market place, the economics of viability and state-of-the-art, Mr. Ports suggested that control of any one individual element will not suffice - that proper control and balance of all four must logically take place at a national level instead of piece meal fragmentation on a town-by-town basis.

A variety of other opinions were then put forth from the floor during a question and answer period. Hub Schlafly (TPT) brought the definition of "minimum standards" into focus by stating that the FCC minimum standards are not those for the norm of the system but for the extremities and that the majority of subscribers would logically receive higher quality than the standards imply. He also expanded on the quantitative and qualitative make up of C-TAC and its obvious ability to perform as charged.

Bob Bilodeau queried aloud the noble purpose of regulation and cited

examples of its absence in areas of broadcasting, manufacturing, etc. that also confront the "public interest". Citing the lack of performance by non-CATV interests to adequately serve the viewer or "public interest" on a substantial scale throughout the country he pointed out that regulation should have approached these "public interest" problems. To support this argument he noted widespread co-channel interference and powerline interference that the viewer has no control over and more importantly no recourse-except to the FCC.

Warren Braun spoke of the voluntary co-operation that should exist between the successful franchisee and its community and the right of self determination over minimal standards that should belong to the cable operator. At the same time he punctuated the obligation of the community to become involved in whatever regulatory scheme develops.

Ken Simons described the difference between a simple regulatory situation of a clear cut situation like a power company vis-a-vis the CATV situation which is extremely difficult even for the most qualified persons attempting to do so.

Bo Lessa of Video Cable cited the inability of the typical home receiver to deliver cable TV product and was quickly rebutted by Ed Chalmers of Zenith Radio.

Sruki Switzer (Canada) described a possible situation based on statistical delivery of service and measurement techniques that would lead one to conclude that at best a percentage reliability is the ultimate situation and that this compared to the generally poor condition of home TV sets is perhaps out of perspective.

Sid Lines responded that the FCC standards in the U.S. were not based on a statistical approach but were incumbent upon every outlet. He confessed to an inability on the part of the FCC at present to effectively enforce its own and additional future standards.

Delmer Ports suggested that local regulatory agencies can play a very useful role in assisting smaller systems that lack internal capability to meet the present FCC standards and provide better service. Joe Hale closed the session with

a reminder that it is quite important to understand just who is wielding the instrument of regulation and what force motivates their action.