



Dear BCAP System and Associate Member:

Happy Holidays!

We're taking this opportunity to thank all of you for your ongoing support and valuable input on many industry issues, during the challenges of 2016. Throughout this past year, your Association has championed broadband cable positions and promoted our message through the legislative and regulatory halls of Harrisburg. We look forward to an equally challenging and exciting 2017, as we remain focused on representing and communicating your business interests every day.

Our hope is that you are able to spend as much time with family, friends and loved ones as possible while celebrating and enjoying this wonderful season. On behalf of the entire Board of Directors and staff of the

Broadband Cable Association of Pennsylvania, we wish you every happiness during this blessed and joyous holiday...and a prosperous New Year!

Joe Taylor  
Chairman

Dan Tunnell  
President



NewsClips

December 22, 2016

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*Bloomberg*

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*TV Predictions*

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*Reuters*

[Disney will create shows for Snapchat](#)

*USA Today*

[Zuckerberg: Facebook isn't a 'traditional' media company](#)

*Zap2it*

[Cable Top 25 for Week Ending December 18](#)

*pennlive.com*

[Guilty conscience or kind gesture? You decide Sen. Scott Wagner's motive](#)

*Philadelphia Daily News*

[At 82, ex-state Rep. Louise Bishop has some regrets](#)

The US Federal Communications Commission's two Republican members told ISPs yesterday that they will get to work on gutting net neutrality rules "as soon as possible."

FCC Republicans Ajit Pai and Michael O'Rielly sent a letter to five lobby groups representing wireless carriers and small ISPs; while the letter is mostly about plans to extend an exemption for small providers from certain disclosure requirements, the commissioners also said they will tackle the entire net neutrality order shortly after President-elect Donald Trump's inauguration on January 20.

"[W]e will seek to revisit [the disclosure] requirements, and the Title II Net Neutrality proceeding more broadly, as soon as possible," they wrote, referring to the order that imposed net neutrality rules and reclassified ISPs as common carriers under Title II of the Communications Act. Pai and O'Rielly noted that they "dissented from the Commission's February 2015 Net Neutrality decision, including the Order's imposition of unnecessary and unjustified burdens on providers."

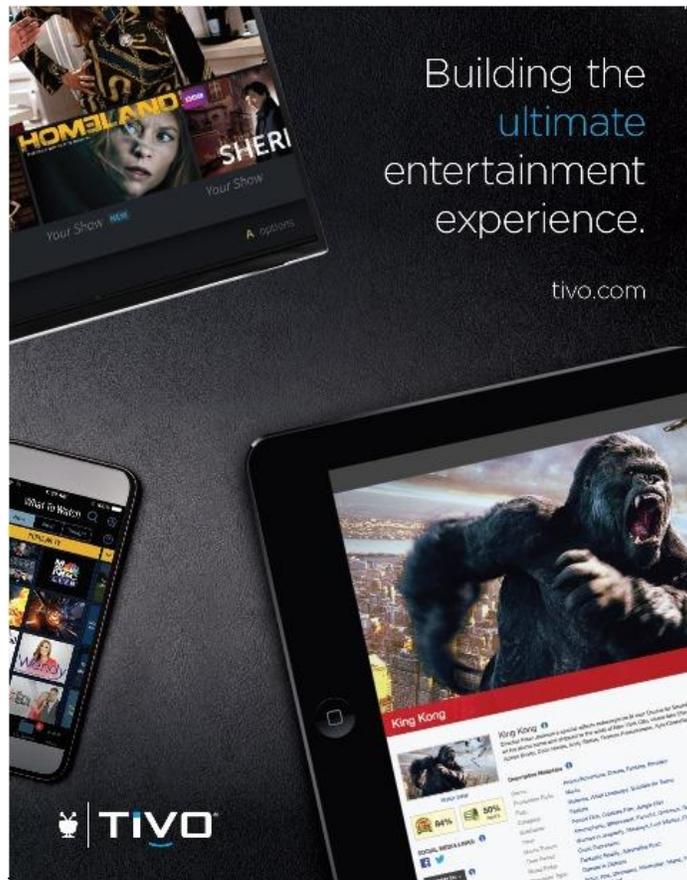
Pai and O'Rielly will have a 2-1 Republican majority on the FCC after the departure of Democratic Chairman Tom Wheeler on January 20. Pai previously said that the Title II net neutrality order's "days are numbered" under Trump, while O'Rielly said he intends to "undo harmful policies" such as the Title II reclassification.

The net neutrality order gave ISPs with 100,000 or fewer subscribers a temporary exemption from enhanced transparency requirements that force operators to provide more information about the plans they offer and their network performance. ISPs can comply with the rules by adopting "nutrition labels" that give consumers details about prices (including hidden fees tacked onto the base price), data caps, overage charges, speed, latency, packet loss, and so on.



**BCAP offices will be closed  
Friday, December 23 & Monday, December 26**

The exemption for small providers lapsed on December 15 after the FCC couldn't agree on a deal to extend it. Pai and O'Rielly tried to convince fellow commissioners to extend the exemption for small providers and apply it to any ISP with up to 250,000 subscribers. To make things more complicated, the enhanced transparency rules haven't yet taken effect for ISPs of any size because that portion of the net neutrality order required an additional review by the Office of Management and Budget (OMB) to comply with the **Paperwork Reduction Act**. The OMB finally approved the new requirements **last**



**week**, and they are now set to take effect on January 17.

"We want to assure you and your members that we would not support any adverse actions against small business providers for supposed non-compliance with the 'enhanced

transparency' rules after that date [January 17]," Pai and O'Rielly wrote. That means small ISPs won't have to worry about complying even when the rules are technically in effect.

More broadly, the Title II net neutrality order prohibits ISPs from blocking or throttling traffic or giving priority to Web services in exchange for payment. The order also set up a complaint process to prevent "unjust" or "unreasonable" pricing and practices. The threat of complaints to the FCC helped **put an end to several disputes** between ISPs and other network operators over network interconnection payments; this in turn improved Internet service quality for many subscribers.

All of that is in jeopardy with the Pai/O'Rielly promise to undo the entire Title II net neutrality order. The process could take months, even if they get started right away, because of requirements to seek public comment. The Republican-controlled Congress **could act more quickly**, since Trump has opposed net neutrality rules and isn't likely to veto a bill overturning the Title II order. When either the FCC or Congress do act, the biggest question will be whether the net neutrality regime is replaced with a weaker set of rules or scrapped entirely. – *Ars Technica*

After a long day at work earlier this week, Richard Maltz plopped down at his Chicago home and began watching "People Magazine

Investigates” through DirecTV Now, AT&T Inc.’s new streaming-video service. Instead of the show’s latest episode, “JonBenét: The Untold Truth,” the 30-year-old recruiter and his fiancée gazed at an error message. “We would have to switch channels and then switch back for it to work,” Mr. Maltz said, “but in a few minutes, it freezes all over again.”

AT&T’s high-profile push into internet video has gotten off to a rocky start. Customers of DirecTV Now, which launched three weeks ago, are complaining about technical glitches that cause crashes, features not functioning and other bugs. The outages have been widespread enough that an error many customers encounter related to a problem loading video content, QP1502, has become [a frequent hashtag](#) on Twitter.

The Dallas telecom acknowledged there are some problems with the service, which an AT&T spokesman said “we are working quickly to address.” A “limited amount of customers” have been affected, he said. “With any new technology there are going to be fixes that need to be made,” he added. “While we understand we still have work to do, overall feedback on DirecTV Now has been very positive.”

AT&T declined to reveal how many people have signed up but has said initial response exceeded its expectations. The company is hoping that DirecTV Now attracts young people, cord-cutters and other consumers who don’t sign up for its traditional pay-TV packages. It spent a year negotiating rights from content companies and for a limited time is offering a bundle of more than 100 channels for \$35 a month, throwing in a free Apple TV for those who pay three months in advance.

AT&T, already the biggest U.S. pay-TV provider, pitches the streaming service as a customer-friendly option, as regulators consider its \$85 billion proposal to buy Time Warner Inc., owner of HBO, CNN and other channels. Watching shows such as “Doctor Who” on BBC America has been a “maddening” experience for Todd Copilevitz since he signed up for DirecTV Now on its second day of availability. “I have not been able to watch a single show from start to finish since that day,” he said.

The 54-year-old, who works at an advertising agency in Atlanta, expected hiccups but is frustrated that AT&T hasn’t provided a timeline for fixing the problems. Google data show [that searches for “QP1502,”](#) spike between 7 p.m. and 10 p.m. ET, which seems to indicate customers are experiencing the worst streaming issues during prime time. On Twitter, AT&T has said that video freezing is “a known issue that we are working on to correct with no estimated time frame.”

Mr. Maltz and other customers have tried workarounds such as streaming the service over another device and sending it to their Apple TV, which they said seems to improve performance, though image quality occasionally suffers.

Some customers are hoping for improvement. Tim Gonzales, a 29-year-old software engineer from Birmingham, Ala., has struggled to use DirecTV Now during prime-time viewing but said he understands that the company is working on a fix. “They deserve a chance,” he said. “I will give it another two or three weeks.”

Others are losing patience. Bill Hentschell, a 47-year-old sales executive in Chesterfield, Mo., had used DirecTV for 20 years before cutting the cord and trying multiple streaming services that didn’t deliver the channels he and his wife watch. DirecTV Now is frustrating him with its crashes, and he may switch back to Sling TV, a rival streaming service, if there isn’t improvement soon. “The vision is great,” Mr. Hentschell said. “It is the execution that is a problem.” – *Wall Street Journal*



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