***An information-packed conference agenda* must include a night to unwind.**

BCAP NewsClips **March 2, 2016**

Bucks County Courier Times
Calkins Media, Comcast partner to make local video available on demand

Hollywood Reporter
Charter CEO Expects Time Warner Cable Deal to Close After California Decision in May

Wall Street Journal
TiVo Continues to Add Subscribers

Oregon lawmakers designed the state's new "gigabit" tax break for companies that make big new investments in affordable, high-speed Internet access, a prominent state legislator told utility regulators Tuesday.

The break wasn't meant for Comcast, insisted Rep. Rep. Phil Barnhart (D-Eugene). He said the company's new "Gigabit Pro" service uses an existing network and charges extreme prices the Legislature never contemplated when they approved the tax breaks last year. Awarding the tax breaks to Comcast would, Barnhart testified, reward the company for doing "nothing." "The Legislature is not likely to be that foolish," he said. "We are foolish often, but usually not that foolish."

But utility commissioners ruled unanimously that Comcast's service meets the letter of the law, voting 3-0 in favor of the company. That vote could be worth tens of millions of dollars to Comcast, money Oregon states and cities spent five years fighting for in court. "If there's a problem in the law, that can't be fixed here," said commission Chairwoman Susan Ackerman. The obscure tax issue has enormous consequences for high-speed Internet service in Oregon and property tax revenues.

On Tuesday, the Oregon Public Utility Commission also confirmed prospective services from Frontier Communications and Google Fiber are eligible for the tax break, which provides a property tax exemption to companies that offer most of their customers Internet service of 1 gigabit per second – 40 times faster than the current federal broadband standard. The ruling on Google Fiber was never in doubt – last year's law was written specifically for that company, at Google's behest. So while that element of Tuesday's vote was a mechanical exercise, **it could clear the way for Google Fiber to finally bring its long-awaited "gigabit" service to the Portland area**. At issue is a practice known as "central assessment," which levies property taxes on the value of a company's brand. It applied to cable TV companies, Internet service providers and a limited number of other businesses.

For Oregon cities, counties and schools, the vote on Comcast was a major disappointment. **They prevailed before the Oregon Supreme Court in 2014** after Comcast

Associated Press
Will TV bills rise with channel choice? Canada to find out

TV Insider
How Election 2016 Candidates Are Turning TV Into Ratings Gold

TV By The Numbers
Cable Top 25 for Week Ending February 28

Doylestown Intelligencer
Rep. Scott Petri (R-Bucks) op-ed: Lawmaker wants fair balance in budget solution

Philadelphia Daily News
Some Pa. GOP leaders warming up to Trump

spent five years fighting central assessment in court. Google Fiber told lawmakers last year the tax would add millions of dollars to its operating costs in Oregon and it threatened to drop plans to serve the Portland market if the Legislature didn't create an exemption. Lawmakers complied with a broadly written bill that Comcast said also applies to its new "Gigabit Pro" service.

Gigabit Pro offers 2 gig service for $300 a month – plus an installation fee of $1,000 or more. That's a great deal more expensive than other services, and local governments told utility commissioners that Comcast was stretching the law beyond recognition by applying for the tax break with a service so expensive that few can afford it.

A Comcast representative testified that the service is available in 26 states, not just Oregon, and that "dozens" of people across the company have signed up for Gigabit Pro since its introduction last year.
Last year's gigabit tax bill didn't specify how much companies should charge to be eligible for the tax break, or how much they have to invest improving their network to qualify. On Tuesday, Barnhart acknowledged to utility commissioners that the Legislature did not delve into key terms associated with the tax break. "We left that to you," he said, "and I admit that may have been a mistake."

Tuesday's vote isn't the final word: the state Department of Revenue must also certify the tax exemption. And lawmakers could amend last year's law that created the gigabit tax break to set a higher bar for companies to qualify, but with a contentious legislative session winding down that would have to wait until next year. – ***Portland Oregonian***

President Obama "unduly influenced" federal regulators to adopt tough net neutrality regulations for online traffic last year, according to an investigation by a Republican senator.

Tom Wheeler, chairman of the Federal Communications Commission, and his staff were finishing work on a less heavy-handed approach in November 2014 when Obama publicly called for the agency to take a more aggressive and controversial direction, said a report released Tuesday from Sen. Ron Johnson (R-Wis.), chairman of the Senate Homeland Security and Government Affairs Committee.

Obama urged the independent FCC to put broadband providers in the same legal category as more highly regulated conventional telephone companies. Public interest groups and many top Democrats were urging such a move, which was strongly opposed by Internet service providers and Republicans. After Obama's statement, an internal email from FCC staffer Paula Blizzard to other agency employees said "not sure how this will affect the current draft and schedule -- but I suspect substantially."

Plans to finish work on the rules was delayed, and several weeks later, Wheeler released a proposal that mirrored Obama's suggestions, the report said. "This investigation has convinced me that the White House overrode the FCC's decision-making apparatus," Johnson said. "It is concerning that an independent agency like the FCC could be so unduly influenced by the White House, particularly on an issue that touches the lives of so many Americans and has such a significant impact on a critical sector of the United States economy," he said. Obama is allowed to publicly express his views to an independent agency but is not supposed to direct its actions.

Wheeler has said there were "no secret instructions" from the White House and that his views on net neutrality regulations evolved from his original proposal in early 2014. Responding to the Senate report, FCC spokeswoman Kim Hart said the agency "ran a transparent and robust rule-making process." "It's no secret that 4 million Americans, including the president, urged the FCC to protect a free and open Internet," she said, referring to a flood of public comments during the agency's rule-making process. Obama appointed Wheeler, a Democrat, as FCC chairman. The agency's Democratic majority pushed through the net neutrality regulations by a 3-2 vote in

February 2015.

The rules prohibit Internet service providers from discriminating against legal content flowing through their wired or wireless networks, such as by charging websites for faster delivery of video and other data to consumers. To enforce those rules, the FCC reclassified broadband as a more highly regulated telecommunications service under Title 2 of the Telecommunications Act.

Internet service providers opposed the reclassification and have a suit pending in federal court challenging it. Republicans on the FCC and in Congress criticized the agency's action as unnecessary and warned that heavy-handed regulations could stifle investment in expanding broadband networks. Ajit Pai, one of the FCC's two Republican commissioners, said Johnson's report showed that FCC Democrats "succumbed to White House pressure" and forfeited the agency's independence. "Whether you support or oppose Internet regulation, this has been a sad chapter in the history of the FCC," Pai said.

The report, titled "Regulating the Internet: How the White House Bowled Over FCC Independence" acknowledged that Obama and other White House officials were allowed to advocate for actions by the FCC. But a 1991 Justice Department opinion said that “White House staff members should avoid even the mere appearance of interest or influence -- and the easiest way to do so is to avoid discussing matters pending before the independent regulatory agencies," the report said.

Johnson said his investigation was triggered by a Wall Street Journal article last year that said two White House aides were involved in "unusual, secretive efforts" to build support for tougher net neutrality regulations. Congressional Republicans have been pushing legislation to reverse the FCC's net neutrality rules. – ***Los Angeles Times***

AT&T Inc. said it will start offering a version of its DirecTV satellite service over the Internet later this year, but the nation’s largest pay-TV provider disclosed few details of the plan. The new service, coming in the fourth quarter, would let users stream programming over the Web, or “over the top,” without the need for a satellite dish. AT&T also plans to sell a version of the service for mobile devices and a separate, free ad-supported streaming service.

AT&T doesn’t plan to disclose pricing and content—the two factors that will determine the service’s success in the marketplace—until closer to launch. The company is entering a crowded field that includes giants like Netflix Inc., Hulu LLC and Alphabet Inc.’s YouTube. Offering an online package of traditional TV channels is especially challenging. Sony Corp. and DirecTV rival Dish Network Corp. each launched such services last year.

Dish’s Sling TV, whose basic $20-a-month package includes channels like ESPN, as more than 600,000 subscribers, The Wall Street Journal recently reported. It isn’t clear what programming AT&T would be in position to offer. The company is still in negotiations with some media companies. “We have signed some deals,” said spokesman Fletcher Cook. “We also have work to do.”

Some media executives familiar with AT&T’s plans said the company hasn’t offered a clear vision of what it wants to deliver. Asked about AT&T’s plans, a spokeswoman for Walt Disney Co.’s ESPN said the sports network is having “productive conversations,” but had nothing to announce. Some new entrants to pay-TV have struggled to create “skinny” online TV bundles at an affordable price, because media companies licensing the content generally want to include as many of their channels as possible.

Apple Inc., for example, has been frustrated by its inability to get major programmers to license channels at rates that would allow it to create a low-cost package appealing to cord cutters, people familiar with its discussions have said. AT&T may have an easier time securing streaming rights, given its scale. TV channels generally give the largest cable-and satellite-TV providers discounts on carriage fees and the most flexibility in how to distribute their content on the Web.

Media executives have said AT&T is going through growing pains trying to absorb DirecTV, which it acquired last year. AT&T hasn't been able to cleanly convert consumers from its U-Verse TV service to the DirecTV satellite service, which it is increasingly emphasizing. In the most recent quarter, AT&T lost a net 26,000 video customers. On an earnings call last week, Star LLC said AT&T's integration of DirecTV resulted in subscriber losses that hurt revenue at its premium cable channels.

Wireless carriers increasingly are focusing on video consumption, which is driving the bulk of growth in consumers' mobile data usage. Verizon Communications Inc. has launched its own mobile video service, go90, while T-Mobile US Inc. offers free video streaming for its customers for many major video services. AT&T will likely offer benefits related to its streaming video service for AT&T wireless customers. The company's recent revival of its unlimited data plans is only available to its pay-TV subscribers. – ***Wall Street Journal***

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