

**Bloomberg  
Comcast CEO  
Prepares His  
Netflix Killer  
for an  
Olympics  
Showcase**

**Investor's  
Business  
Daily  
Could Frisky  
FCC Regulate  
Facebook,  
Microsoft,  
Apple Under  
Title II?**

**Washington  
Post  
Apple wants  
to kill a bill  
that could  
make it easier  
for you to fix  
your iPhone**

**Philadelphia  
Inquirer  
Ad board tells  
Verizon to  
clarify claim  
it's faster  
than Comcast**

**Philadelphia  
Inquirer  
Companies  
and political  
contributions:  
Which gave  
what to  
whom?**

**pennlive.com  
Another Pa.  
state budget  
debate? Why  
that may not  
be cause for  
weeping yet**

**Pittsburgh  
Tribune-  
Review  
Where**

Stonewalled by the state's Public Utility Commission, we considered the issues at stake for state residents and then took the only viable course of action.

We sued.

*The achievements of an organization are the results of the combined effort of each individual. ~ Vince Lombardi*

# TEAMWORK



Blue Ridge Service Electric Ironston Telephone Polimerion TELEPHONE Service Electric broadband cable Service Electric

~ Our Network is the direct result of our Partners' hard work and commitment! ~

- Nearly 10,000 miles of fiber optic cabling deployed
- Scalable up to 400 Gbps
- Strategic partnership serves 28 counties
- DDoS Mitigation
- Custom fiber builds to your business locations
- Optical Wave Services

[www.penteledata.net](http://www.penteledata.net) | 800.281.3564 **PenTeleData.**  
fiber networks

PPL, whose executives now have egg on their faces. (More on that below.) However, it wasn't a search for "dirt" that led the Times Leader's journalists to push for greater PUC openness. Rather, it was a concern for you – and your right to know what your government does and why.

The PUC's secrecy denied you the opportunity to understand, much less react to, an action the governing body supposedly had taken on your behalf. "The public would never have known what the impetus was behind all this without ... the media coalition pursuing it," said attorney Craig Staudenmaier, who represented the coalition. He described the Supreme Court's decision in this case as precedent-setting, noting that it will allow "much broader access to documents" used in public-utility decisions. Regarding the specific settlement agreement between PPL and the PUC, Staudenmaier said, "The public can now judge whether the PUC did the right thing."

The Times Leader and The Morning Call of Allentown – supported by a coalition of eight other news media organizations in Pennsylvania – filed suit in 2014 to compel the PUC to turn over documents that rightfully belong to the people. A state Supreme Court majority last month sided with the journalists' coalition, concurring that the paperwork should be released. Last week, the PUC complied.

The records included an embarrassing revelation about a \$60,000 fine paid to the PUC by Allentown-based electric provider

conflicts are ignored: The Pennsylvania Legislature

Philadelphia Daily News Toomey's trouble isn't guns

Here's a recap: The PUC had received a tip letter that suggested PPL violated state law during power restoration efforts after an October 2011 snowstorm. The PUC ultimately fined the utility, divulging to the public at the time only that PPL had wrongly reassigned one of its work crews from a higher-priority job to a lower-priority job.

When questioned about the fine by Seder and others, the PUC's spokespeople adamantly refused to show the tip letter – even in redacted format – and other public records. That meant the journalists and the people for whom they gather information were left to guess, among other things, what led to the violation, as well as whether the fine was excessive or a mere slap on the wrist.

Turns out, based on the newly released details, one of PPL's managers triggered the work crew's redeployment when he called the company's Hazleton storm room and asked about an outage near his Tamaqua-area home. The employee – Dave Bonenberger, who has since been promoted to PPL's vice president of distribution operations – issued a much-belated apology Wednesday for the incident, which company officials characterized as a "misunderstanding." It's up to PPL's shareholders and ratepayers to judge the company's actions.

Of wider concern, it's up to the Public Utility Commission's employees to continually uphold the "public" portion of the government body's name. Any failure to meet that obligation leaves us all in the dark. – *Wilkes-Barre Times Leader*

---

In a concession to regulators, Comcast Corp. has proposed developing an app-based model for set-top boxes that could lead consumers to ditch boxes that cost \$230 a year to rent. With it, set-top boxes would evolve similarly to smartphones loaded with apps. Only in this case, a store-bought set-top box would be loaded with apps for television services such as Comcast's Xfinity TV. Those seeking set-top box reforms said the idea sounded like a good one but warned that other set-top box reform plans had fizzled over the last 20 years.

Comcast and AT&T, the parent company of DirecTV, presented the idea on Wednesday to the Federal Communications Commission that is considering a reform proposal that would ease the entry of technology companies such as Google into the \$20 billion set-top box market, an FCC filing shows. Set-top boxes are the devices that connect TV services to televisions. Most consumers rent them from their pay-TV provider.

FCC Chairman Tom Wheeler, a former lobbyist for the cable industry, has taken a hard line with pay-TV companies over the last two years and industry officials believe that his set-top box proposal could be a new economic blow. With Wheeler's plan, pay-TV insiders fear that Google could take over the search function on TVs and then sell advertising around those searches. They also say that subscriber privacy could be compromised.

The five FCC commissioners, three Democrats and two Republicans, could formally vote on Wheeler's plan at the agency's August public meeting. Chip Pickering, the chief executive officer at the Incompass, an industry group backing Wheeler's plan, said the pay-TV industry's app-based model was "some positive movement" in the debate over bringing competition to the national set-top box market. But he also said the cable industry has made promises about set-top boxes in the past "that have not materialized." – *philly.com*

---

Throughout the relatively short history of the internet, the guiding philosophy of the government has been mostly to keep its hands off. Regulation of internet service providers has been practically nonexistent, and that's worked pretty well so far. Some might say spectacularly well, in fact.

But if last week's ruling by a federal appeals court stands, those days are over. Internet

service providers will be regulated like a public utility — like phone companies or power utilities. This change comes as part of a years-long effort by the Federal Communications Commission to put in place rules enforcing “net neutrality,” forcing broadband service providers to grant equal access to customers and content providers regardless of the amount of bandwidth they use.

Legitimate concerns animate net neutrality proponents — broadband providers could block access to competitors, silence voices that disagree with them and slow access speeds in a way that hampers new businesses trying to make inroads online. But, as Judge Stephen Williams noted in his lengthy dissent in the 2-1 ruling, there’s little evidence that the problems net neutrality purports to solve have actually been experienced by anyone.

In fact, the judge warns that enforcing net neutrality could stifle innovations by broadband service providers. Increased regulations could “replace the virtuous cycle with a vicious cycle, in which regulatory overreach reduces the number and quality of services available, reducing demand for broadband, and in turn reducing the content and services available owing to the reduced number of users.”

The point that net neutrality proponents overlook is this: Bandwidth is neither unlimited nor free. If demand by Netflix and its users strain the existing infrastructure, someone must pay to add more capacity. If federal regulators decide broadband providers can’t charge Netflix or its users for paid prioritization, then the cost of keeping up with demand is spread unfairly — or the demand won’t be increased and everyone’s experience will suffer. And although the FCC insists it doesn’t intend to institute overall price regulation, the political pressures over time to do so could be irresistible.

The FCC’s decision upheld in this case is drastic. It could have plentiful unforeseen consequences that might hamper innovation, degrade service and reduce investment in an industry that has become vital in commerce and other important areas of American life.

The FCC has taken this step in the absence of demonstrable need and without a full consideration of the potential costs. If broadband providers are treated and regulated as utilities, they will be far more cautious in how they do business, knowing that a federal agency can second-guess them. The court’s ruling is unfortunate and should be appealed. It would be far better for Congress to look into updating the Telecommunications Act of 1996 to address the legitimate concerns of net neutrality proponents without saddling internet providers with a regulatory scheme designed for an entirely different era. – *Denver Post* editorial; [the San Jose \(CA\) Mercury News offers an different view](#)



127 State Street, Harrisburg, PA 17101  
717.214.2000 • bcaps.com

**First in Broadband.  
The Future of Broadband.®**