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October 3, 2018

Shonda Green, Secretary
Department of Telecommunications and Cable
1000 Washington Street, Suite 820
Boston, MA 021128-6500

RECEIVED

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MASS. DEPT OF TELECOMMUNICATIONS & CABLE

Re:

D.T.C. 17-7: Cox Communications- Town of Holland Basic Service, Equipment and Installation Rates

Dear Secretary Green:

Enclosed please find for filing in the above matter (1) an original and 3 copies of the Public Responses of Cox Communications to the Department's First Set of Information Requests; (2) a confidential response to D.T.C. 1-2 provided in a sealed envelope; (3) an original and 3 copies of the Motion of Cox Communications for Protective Order; and (4) an original and 3 copies of the Affidavit of Robert J. Howley in Support of Motion for Protective Order. As noted in the Company's responses, it will be filing shortly revised Forms 1205 and 1240.

Copies of public submissions are being e-filed and served upon the Town of Holland and the service list.

Do not hesitate to contact me if the Department has any questions or needs further information.

Thank you for your assistance.

Sincerely yours,

Alan D. Mandl

Enclosures

cc: Town of Holland/Service List

Petition of CoxCom, Inc., d/b/a Cox Communications	)	
to establish and adjust the basic service tier programming,	)	D.T.C. 17-7
equipment, and installation rates for the Town of Holland	)	

Responses of Cox Communications to the Department's First Set of Information Requests

Request D.T.C. 1-1 Referring to Worksheet 4 of FCC form 1240, for both the True-Up and

Projected Periods, please explain why the Average Channels per Regulated Tier is 30 on lines 405 and 413 of worksheet 4, True-Up Period, while in Line 405 of worksheet 4, Projected Period, Average

Channels per Regulated Tier is 19.

Response:

Cox added 11 channels in the True-Up period that were not previously included in its filings, bringing the totals from 19 up to 30 channels. The number of channels in the Projected Period table was not adjusted up to 30 because we were not making any channel moves in the Projected Period and therefore not using Worksheet 4 Projected Period table.



Responsible Person: Robert J. Howley

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Request D.T.C. 1-2

Referring to Worksheet 7 of FCC Form 1240 and the appended Monthly Subscriber Costs table, the Department notes that the per-subscriber retransmission consent fee increased from \$4.373 during True-Up Period 1 to \$6.388 for True-Up Period 2, and then to \$6.779 for the Projected Period. Please provide documentation supporting these retransmission consent fees, including which channels have retransmission consent fees and the cost per channel.

Response:

**BEGIN CONFIDENTIAL INFORMATION** 

2017 2018 2019

#### END CONFIDENTIAL INFORMATION

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Request D.T.C. 1-3 Referring to Lines D5, F3, G3, and 13 of the FCC Form 1240 for the

Channel Movement and Deletion Segments, please explain the positive change in Channel Movement and Deletion Residual from (\$3.64) to (\$1.94), in light of the fact that the BST is the only regulated tier of

service.

Response: Cox was previously not including 11 channels in its filings that are

included in the Basic Tier of service. We added these channels in our 2017

filing.

50 EWTN

72 HSN2

73 Beauty IQ

74 Leased Access

81 Evine Live

97 Jewelry TV

173 TBN

174 Daystar

805 PBS Create - WGBY

806 PBS Kids - WGBY

807 PBS World - WGBY

Responsible Person: Robert J. Howley

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Request D.T.C. 1-4 Referring to Line E3 (Number of Months between the end of True-Up

Period 1 and the end of the most recent Projected Period) of the FCC Form

1240, please verify whether the number 14 is correct.

Response: The end of True-Up Period 1 is 10/31/2017 and the end of the most recent

Projected Period on previous filing is 4/30/2018. This should be 6 months. The 14 months appears to be an error. This change results in our MPR decreasing from \$68.02 to \$65.95 and the True-Up Segment for Projected

Period decreasing from \$47.42 to \$45.35.

The Company will submit a corrected Form 1240.

Responsible Person: Robert J. Howley

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Request D.T.C. 1-5 Referring to Line G5 (Inflation Segment for True-Up Period 2) on Form

1240, please provide backup support for this calculation.

Response: This is an embedded calculation within the filing. The inflation

adjustments are provided quarterly by the FCC.

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Referring to Lines I8, I9, and 110 of the FCC Form 1240, please explain Request D.T.C. 1-6

Cox's inclusion of \$47.41 of true-up in the rate, in light of its selection of

\$19.50 as the Operator-Selected Rate for the Projected Period.

Response:

This is an embedded calculation based on the input, but the theory is because the Company's previous OSR was so far below the Maximum Permitted Rate, it has the option of "recovering" that in the new MPR.

Responsible Person: Robert J. Howley

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Request D.T.C. 1-7 Referring to page 2 of the cover letter accompanying the FCC Form 1205,

please explain whether and how the "New England system aggregation" used for Equipment and Installation rates differs from the prior year's data

aggregation.

Response:

The New England system aggregation was the same data aggregation used

by the Company in the prior year's filing.

Responsible Person: Robert J. Howley

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Request D.T.C. 1-8 Referring to Schedule B of the FCC Form 1205, please explain the

reduction in expenses for each category listed in comparison to those

listed in the prior year's filing.

Response: Salaries and Benefits expenses decreased due to elimination of tech

support department. Outside labor decrease due to completion of Go All Digital initiative. CPE R&M decrease due retirement of older boxes and

no longer repairing Rovi boxes.

Responsible Person: Robert J. Howley

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#### Request D.T.C. 1-9 Referring to Schedule C of the FCC Form 1205:

- a. Regarding Line B, please explain the reduction in service hours related to addressable box units (31,100) from those on the prior year's filing (42,941).
- b. Regarding Line C, please explain why the number of addressable box units in service decreased from 416,570 in the prior year's filing to 336,591, particularly in light of the fact that the number of remote control units remained the same (416,613) from the prior year's to current filing.
- c. Regarding Line D, please explain why the gross book value for remote control units increased from \$2,200,156 in the prior year's filing to \$3,104,070 in the current filing, when the number of remotes was the same (416,613).

#### Response:

- a. Drop in hours related to completion of Go All Digital initiative
- b. Addressable units in service decreased because of two reasons: (1) an overall drop in subscribers and (2) a shift from addressable boxes to a DTA. The Company does not track remote control units, so this amount is an estimate based on addressable boxes and DTAs. The Company has reviewed this response and determined that the rate filing should be modified. The investment in remotes reflects remotes that are paired with converters and DTAs ('digital transport adapters"). There were 366,000 DTAs and 337,000 converters. The number of remotes should approximate the combined numbers of DTAs and converters (703,000). The effect of this modification is a reduction in the MPR for remotes. The Company will submit a revised Form 1205 to reflect this modification. In Holland, the Company does not charge an equipment rate for remotes, so there should be no OSR impact due to this modification.

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Response to Request DTC 1-9 (continued):

c. The Gross Book value of remotes increased due to higher end Contour 2 remotes being deployed. Our subs for Contour 2 grew from 146K to 203K.

Responsible Person: Robert J. Howley