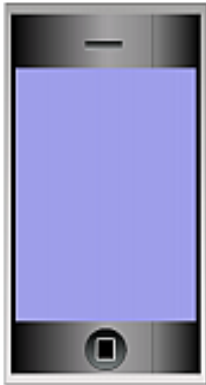




WIRELESS SERVICE IS COMPETITIVE



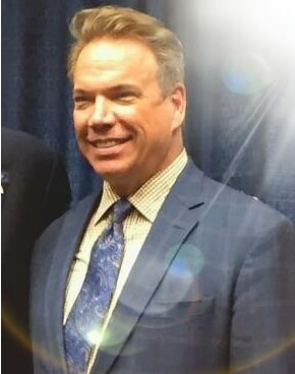
In 2001 when the Public Service Commission of South Carolina (“Commission”) approved the S.C. Universal Service Fund (“SC USF”), the surcharges to fund it were added to wireline telephone customers only. There were discussions in the early SC USF proceedings regarding whether to add the surcharge to wireless customers, but the Commission held that the evidence did not show that wireless was competitive with wireline services at that time. Fourteen years later in August 2015, the South Carolina Telephone Coalition (“Coalition”) and its individual member companies filed a petition to change the status quo. The petition sought a determination that carriers who offer retail wireless services in South Carolina are providing telecommunications services that compete with local telecommunications services provided in this State.

In addition to the South Carolina Cable Television Association, the CTIA-The Wireless Association, Frontier, AT&T South Carolina (ILEC), Windstream, FTC Wireless and CenturyLink intervened in the proceeding. The hearing was held November 3, 2015, with the CTIA opposing the petition. During the hearing Office of Regulatory Staff estimated that the 3.6% USF tax might be reduced to 0.81%. January 6, 2016, the Commission voted unanimously to find that wireless providers are competing with wireline providers noting that the record overwhelmingly shows that wireless carriers compete with local exchange companies for local service. The Commission also voted to require wireless carriers to contribute to the SC USF in the same manner that other telecommunication service providers contribute.

The Commission’s directive emphasized that the decision would not result in the local exchange companies receiving a greater amount of support. The size of the fund will remain the same. The Commission indicated that the ruling levels the playing field with regard to the payment into the SC USF noting that wireless carriers depend on wireline facilities to function. Wireless carriers benefit from a financially sound wireline industry. The decision means that payments into the SC USF will now be fairly distributed between wireless and wireline carriers. *Petition of the SC Telephone Coalition for a Determination that Wireless Carriers are Providing Radio-Based Local Exchange Services in SC that Compete with Local Telecommunications Services Provided in the State*, SC PSC Docket No. 2015-290-C, Directive dated Jan. 6, 2016.

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From the Executive Director...

The second session of the 121st General Assembly (GA) of South Carolina just commenced. The SCCTA continues to monitor a number of bills that either directly or indirectly affect the cable industry. While none is causing major concern, most of the legislation continues to address a plethora of telecommunications issues, election issues and items related to lobbyists. Most of these bills were continued from last session and our list has grown since bills were prefilled late 2015.

The SC General Assembly is expected to address a number of subjects continued from last session including the states great infrastructure needs and how to fund our decaying roads and bridges, issues related to the horrendous flooding that hit our state last October, gun issues both pro and con in the aftermath of the shootings at Mother Emmanuel Church, ethics reform and how to spend over one billion dollars in additional revenue as reported by the state's Board of Economic Advisors.

We were all quite pleased at the recent ruling at the SC Public Service Commission who voted unanimously to find that wireless providers are competing with wireline providers and granted the petition. We are currently waiting on an order detailing this ruling. As far as S277 is concerned, the coalition (AT&T, Rural Phone companies and cable) continue to meet discussing plans to move 277 forward and the best ways to achieve a successful outcome.

The 2015 Key Contact conference is scheduled this year for April 12 - 14. I will begin making Capitol Hill appointments next month with our Congressional Delegation and look forward to our usual excellent participation. Our friends at the National Cable Telecommunications Association have indicated we should have a number of federal issues to address this year at these meetings.

The SCCTA Spring Board Meeting will be held at Noon on March 22 at the Capitol City Club at 1201 Main Street, Columbia. That night we will honor the SC Senate Judiciary Committee and its staff with a dinner at Al's Upstairs, 300 Meeting Street, West Columbia. (6:30 cocktails and 7:15 dinner) We are delighted our lobbying team—Vicky Parker, Jason Puhlasky & Darrell Campbell, along with our attorney Frank Ellerbe, plan to join us for this annual celebration.

Much appreciation to each of you for your continued input and participation as we promote and protect the South Carolina Cable Industry.

Ray Sharpe

SAVE THE DATE

April 12-14, 2016
NCTA Key Contact Conference
Washington DC



Member News...



COMCAST FOUNDATION AWARDS GRANT TO BIG BROTHER BIG SISTERS

Comcast Foundation has awarded Big Brothers Big Sisters of Carolina Youth Development Center a \$15,000 grant in support of its school-based mentoring programs.

“The funding from the Comcast grant will help Big Brothers Big Sisters provide children with mentors in a school setting,” said BBBS Program Director Christina Hoffecker. “This program offers children a positive adult role model who encourages them and inspires them to succeed.”

National studies show that youth who have the support of a BBBS mentor have higher aspirations, greater confidence, and better relationships, avoid risky behaviors, and are more likely to achieve educational success.

“The relationships built through the Big Brothers Big Sisters mentoring program at the Carolina Youth Development Center have an incredible impact on the lives of youth and their success. This life-changing program perfectly represents Comcast’s commitment to developing tomorrow’s leaders and serving our community,” said Shannon Dulin, Comcast Senior Manager, Government & Regulatory Affairs, Augusta/Savannah Georgia/Charleston region.

The Comcast Foundation was founded by Comcast Corporation in June 1999 to provide charitable support to qualified non-profit organizations. The Foundation primarily invests in programs intended to have a positive, sustainable impact on their communities. The Foundation has three community investment priorities—promoting service, expanding digital literacy, and building tomorrow’s leaders. Since its inception, the Comcast Foundation has donated more than \$170 million to organizations in the communities nationwide that Comcast serves. More information about the Foundation and its programs is available at www.comcast.com/community.

SAVE THE DATE



July 22-30, 2016
South Carolina Cable Television
Association
Board of Directors Retreat
Wild Dunes Resort
Isle of Palms

IP TRANSITION UPDATES TO SC PUBLIC SERVICE COMMISSION

The Competitive Carriers of the South (“CompSouth”) and AT&T both recently held *ex parte* briefings for the Public Service Commission of South Carolina (“Commission”) to discuss the transition from legacy networks originally built to carry basic voice services to alternative platforms built for a variety of uses including broadband, video, data and voice. The transition involves changing the network equipment which uses Internet Protocol (“IP”) language to communicate and the conduits that make up networks from copper to coaxial cable, optical fiber, and wireless technology.

CompSouth’s *Telecommunications Transition* briefing was held October 22, 2015. CompSouth discussed the technical and operational issues that need to be addressed as part of the transition. CompSouth is concerned about AT&T’s proposed sunset of the public switched telephone network in 2020. CompSouth discussed the following regarding AT&T’s proposed plan: end of the TDM (Time Division Multiplexing) technology that the industry has used for transmission, the end of copper as a physical facility used for first-mile customer access, and the end of circuit switching to provide voice service. CompSouth indicated that AT&T has not been discussing how it will accommodate its obligation to provision wholesale end-user access circuits under the special-access and UNE regimes. South Carolina has thousands of DS1 facilities which are TDM type facilities used by businesses to access their competitive provider or the incumbent.

CompSouth indicated that AT&T’s proposed replacement service alternatives are very expensive. CompSouth is also concerned about several of AT&T’s positions including (1) that incumbent carriers have no legal obligation to interconnect in IP, (2) reciprocal compensation, and (3) the replacement of current interconnection agreements with a non-transparent system of commercial arrangements between AT&T and its smaller competitors that do not have regulatory backstops. CompSouth wants the Commission to maintain authority over issues affecting competition

including interconnection, arbitration and inter-carrier disputes.

AT&T’s *Delivering Next Generation Services to South Carolina* briefing was held January 12, 2016. Pamela Lackey, State President—AT&T South Carolina was the first presenter. Ms. Lackey described how communications services have changed since 1934, AT&T’s \$120 billion investment in network upgrades from 2009 to 2014, and the increasing number of customers who have already transitioned to IP or wireless systems. Ms. Lackey also indicated that outdated regulations can hamper efforts to connect all of America with modern technology.

Frank Simone, Vice President—Federal Regulatory, then provided an overview of the AT&T technology transition trials being overseen by the Federal Communications Commission in Carbon Hill, Alabama, and West Delray Beach, Florida. The trials were designed to serve as models to resolve policy and operational issues that could arise during the transition. Simone indicated that money must be siphoned from investments in IP networks and services to maintain TDM networks. He described the FCC’s process for AT&T to first grandfather and then sunset legacy services by the 2020 target date. He indicated that customers will have an alternative service available before AT&T discontinues a service. Simone described numerous FCC orders addressing the FCC’s battery back-up requirement, copper retirement, and the “adequate substitute” requirement. He also described how the FCC is addressing wholesale issues and IP interconnection. Simone indicated that the FCC is actively addressing IP transition issues by setting a national framework with full participation by ILECs, CLECs, CMRS Providers, State Commissions and Consumer Advocates. AT&T is entering into commercial agreements instead of Section 251/252 agreements for IP interconnection. AT&T stated that it is not required to file the commercial agreements with the Commission or the FCC.

SOUTH CAROLINA LEGISLATIVE UPDATE

The second regular legislative session reconvened on January 12, 2016. Governor Haley had until January 14, 2016, to act on ratified legislation or it became law without her signature. The Senate and House of Representatives prefiled legislation for the upcoming session in early December. The following bills of interest were prefiled:

Senate Bill 908 – SC Uniform Fiduciary Access to Digital Assets Act

Establishes a framework for Internet users to plan for the management and disposition of digital assets upon death or incapacitation.

http://www.scstatehouse.gov/sess121_2015-2016/bills/908.htm Senate Judiciary

Senate Bill 912 – Unfair Trade Practice

Using and enforcing non-disparagement clause in a contract for sale or lease of consumer goods is an unfair trade practice.

http://www.scstatehouse.gov/sess121_2015-2016/bills/912.htm Senate Judiciary

Senate Bill 938 – Minimum Wage

Establishes a base state minimum wage and schedule to gradually implement an adjusted minimum wage.

http://www.scstatehouse.gov/sess121_2015-2016/bills/938.htm Senate Labor, Commerce & Industry

Senate Bill 957 – Employment Applicant's Criminal History

Prohibits employer from considering or requiring disclosure of the criminal history or record of a job applicant until the applicant is selected for an interview or before a conditional offer is made.

http://www.scstatehouse.gov/sess121_2015-2016/bills/957.htm Senate Labor, Commerce & Industry

House Bill 4392 – Photo ID Cards for Registered Lobbyists

Requires Lobbyists to obtain photo identification cards issued by State Ethics Commission.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4392.htm House Judiciary

House Bill 4424 – Roll- Back Taxes

Deletes provision that imposes roll-back taxes on agricultural property once the use has changed.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4424.htm House Ways & Means

House Bill 4457 – Magistrate Court Jurisdiction

Increases magistrate court's civil jurisdiction from \$7500 to \$15,000.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4457.htm House Judiciary

House Bill 4466 – Unlawful Employment Practice

Unlawful for employer to refuse to hire individual based on credit history unless the information directly relates to a bona fide occupation qualification reasonably necessary to the normal operation of the business.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4466.htm House Labor, Commerce & Industry

House Bill 4479 – Sine Die Adjournment

General Assembly would adjourn the first Thursday in May instead of June.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4479.htm House Judiciary.

House Bill 4502 – Revenue Impact Statements

Revenue of Fiscal Affairs Office must take into consideration the probably response of taxpayers, businesses, and other citizens when computing revenue impact statements.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4502.htm House Ways & Means.

House Bill 4518 – Alarm Business Requirements

Requires alarm business to employ an alarm verification for all burglar alarm signals the business receives.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4518.htm House Labor, Commerce & Industry



Legislation (continued....)**House Bill 4522 – Cell-Site Simulator Technology**

Prohibits law enforcement from using cell-site simulator technology or devices.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4522.htm House Judiciary

House Bill 4545 – Magistrate Court Jurisdiction

Increases civil magistrate court jurisdiction from \$7500 to \$25,000

http://www.scstatehouse.gov/sess121_2015-2016/bills/4545.htm House Judiciary

House Bill 4555 – Freedom of Employment Contract Act

Repeals the Right-to-Work laws. http://www.scstatehouse.gov/sess121_2015-2016/bills/4555.htm House Labor, Commerce & Industry

House Bill 4566 – SC Do Not Call Act

Office of Regulatory Staff would maintain database of consumers who object to telemarketing calls.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4566.htm House Labor, Commerce & Industry

House Bill 4567 – Term Limits for General Assembly

Resolution to impose terms limits on members of the General Assembly.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4567.htm House Judiciary

House Bill 4575 – Wireless Devices in Schools

Prohibits Students from using wireless electronic communication devices in public schools during school hours.

http://www.scstatehouse.gov/sess121_2015-2016/bills/4575.htm House Education & Public Works

FCC BRIEFS

The following documents can be downloaded from the FCC's website at <http://www.fcc.gov>

On December 30, 2015, the FCC released the fifth *Measuring Broadband America Report*. There is (1) significant growth in advertised broadband speeds available to consumers; (2) actual speeds by most ISPs' subscribers are close to or exceed advertised speeds; (3) consumers with access to faster services continue to migrate to higher service tiers; and (4) latency and packet loss vary by technologies. <https://www.fcc.gov/reports-research/reports/measuring-broadband-america/measuring-broadband-america-2015>

The Universal Service Monitoring Report for 2015 was issued December 23, 2015. Telecom revenues declined while non-telecom revenues continued to increase. SC received \$175,130,000 in federal USF support while contributing \$117,306,000 in 2014. <http://www.fcc.gov/encyclopedia/federal-state-joint-board-monitoring-reports>

The FCC issued the 18th *Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless* on December 23, 2015. The report analyzes overall competitive dynamics of the wireless industry and presents a broad overview of industry trends and developments. (DA 15-1487)

On December 17, 2015, the FCC forbearance from dated phone industry rules. The order eliminated the 1990s rules that governed the Baby Bells entry into the long distance market; the 1980s equal access rules, & requirements to provide access for enhanced services. (FCC 15-166).

On November 24, 2015, the FCC released its Order on Reconsideration which builds on prior efforts to harmonize pole attachment rates that cable and telecom service providers pay utility pole owners. The order introduces new cost allocators for poles with 2 and 4 attaching entities to more closely approximate the cost used in the cable rate formula. (FCC 15-151)

STATE-ISSUED CERTIFICATES OF FRANCHISE AUTHORITY

As of January 4, 2016, the South Carolina Secretary of State has issued the following certificates of franchise authority. Changes since the last newsletter are highlighted in red.

ATLANTIC BROADBAND.....	Aiken, Aiken County, Allendale, Allendale County, Bamberg, Bamberg County, Barnwell, Barnwell County, Blackville, Burnetown, Denmark, Elko, Fairfax, Jackson, New Ellenton, Orangeburg County, Perry, Salley, Snelling, Springfield, Wagner, Williston
BALDWIN COUNTY INTERNET/ DSSI SERVICE, LLC	Beaufort County, Charleston County, Greenville, Greenville County
BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T SOUTH CAROLINA	Aiken, Anderson, Anderson County, Arcadia Lakes, Bamberg County, Belton, Berkeley County, Blythewood, Burnetown , Calhoun County, Camden, Cayce, Central, Chapin, Charleston, Charleston County, Cheraw, Cherokee County, Chesterfield County, Clemson, Clover, Colleton County, Columbia, Cordova, Dorchester County, Duncan, Easley, Edgefield County, Edisto Beach, Elgin, Fairfield County, Folly Beach, Forest Acres, Fountain Inn, Gaffney, Gaston, Goose Creek, Greenville, Greenville County, Greer, Hanahan, Hollywood, Irmo, Isle of Palms, James Island, Kiawah Island, Kershaw County, Laurens County, Lexington County, Liberty, Lincolnville, Little Mountain, Lyman, Marlboro County, Mauldin, McConnells, Mount Pleasant, Newberry, Newberry County, North Augusta, North Charleston, Oconee County, Orangeburg, Orangeburg County, Pelzer (incumbent portions), Pickens, Pickens County, Pine Ridge, Ravenel, Reidville, Richland County, Rockville, Seabrook Island, Seneca, Six Mile, South Congaree, Spartanburg, Spartanburg County, Springdale, Sullivan's Island, Summerville, Travelers Rest, Union, Union County, Walhalla, West Columbia, West Pelzer, Westminster, Williamston, York, York County
BERKELEY CABLE TV, INC.....	Berkeley County, Bonneau, Charleston, Goose Creek, Harleyville, Jamestown, Moncks Corner, North Charleston, St. Stephens, Summerville
BROADBAND EXPERIENCE d/b/a FAMILY VIEW CABLEVISION ...	Central, Clemson, Pickens County
CAMDEN CORPORATE INVESTMENTS LLC, d/b/a TRUVISTA.....	City of Camden
CAROLINA TELECOM SERVICES.....	Hickory Grove, Sharon, York
CATAWBA SERVICES, LLC	Rock Hill
CHARTER COMMUNICATIONS, LLC.....	Abbeville, Anderson County, Belton, Blacksburg , Campobello, Central Pacolet, Cherokee County, Chesnee, Clinton, Cowpens, Duncan, Easley, Gaffney , Gray Court, Greer, Greenville, Greenville County, Honea Path, Inman, Iva, Jonesville, Landrum, Laurens, Laurens County, Lockhart, Mauldin, Newberry County, Oconee County, Pelzer, Pickens County, Reidville, Salem, Simpsonville, Six Mile, Spartanburg, Spartanburg County, Starr, Travelers Rest, Union, Union County, Wellford, West Pelzer, Whitmire, Williamston, Woodruff
CHESNEE COMMUNICATIONS.....	Cherokee County, Chesnee, Spartanburg County
CHESTER COMMUNICATIONS, LLC d/b/a TRUVISTA.....	Chester, Richburg
COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC	Brunson, Colleton County, Folly Beach, Hampton, Jasper County, Kiawah Island, North Charleston, Ravenel, Rockville, Walterboro, Yemassee
COMCAST OF CAROLINA.....	Berkeley County, Charleston, Dorchester County, Edisto Beach, Goose Creek, Hampton County, Hanahan, Isle of Palms, James Island, Mount Pleasant, Sullivan's Island, Summerville
COMCAST OF GEORGIA/SC II.....	Beaufort County, Charleston, Edisto Beach, Hampton County, Hollywood, Meggett, Mount Pleasant, Town of Seabrook Island
COMCAST OF GEORGIA/SC INC.....	Aiken County, Burnetown, Hampton County, North Augusta
COMCAST OF THE SOUTH.....	Calhoun Falls, Prosperity
ELK COMMUNICATIONS, LLC.....	Gaston, Lexington County, Swansea
FAIRVIEW COMMUNICATIONS d/b/a TRUVISTA.....	Blythewood, Richland County, Ridgeway, Winnsboro

State-Issued Certificates of Franchise Authority *continued*...

FARMERS TELEPHONE COOPERATIVE	Andrews, Clarendon County, Coward, Florence County, Georgetown County, Greeleyville, Lane, Lee County, Lynchburg, Mayesville, Paxville, Pinewood, Scranton, Sumter, Sumter County, Turbeville, Williamsburg County
FTC DIVERSIFIED SERVICES, LLC	Bishopville, Clarendon County, Florence County, Georgetown County, Hemingway, Kingstree, Lake City, Lee County, Manning, Olanta, Summerton, Sumter, Sumter County, Williamsburg County
GREAT FALLS CABLEVISION, INC. d/b/a TRUVISTA	Town of Great Falls
HARGRAY CATV CO., INC.	Bluffton, Estill, Hampton, Hardeeville, Hilton Head Island, Jasper County, Ridgeland
HARGRAY, INC.	Beaufort, Beaufort County, Port Royal
HORRY TELEPHONE COOPERATIVE	Conway, Horry County, Georgetown County, Surfside Beach
HPI ACQUISITION CO., LLC	Anderson, Anderson County, Donalds, Due West
KNOLOGY OF CHARLESTON, INC.	City of Charleston, Charleston County, Dorchester County, Hanahan, James Island, Lincolnville, Mount Pleasant, North Augusta, North Charleston, Summerville
MANAGED SERVICES INC.	Berkeley County, Horry County, Jasper County, Richland County
NORTHLAND CABLE TELEVISION	Abbeville County, Central, Clemson, Edgefield, Greenwood, Greenwood County, Hodges, Johnston, Laurens County, Ninety Six, Norris, Oconee County, Pendleton, Pickens, Pickens County, Saluda, Saluda County, Seneca, Six Mile, Walhalla, Ware Shoals, West Union, Westminster
PALMETTO CABLE TV, LLC	Fort Mill, Lancaster County, Tega Cay
PALMETTO RURAL TELEPHONE COOPERATIVE, INC.	Bamberg County, Colleton County, Cottageville, Lodge, Smoaks, Walterboro, Williams
PASSPORT COMMUNICATIONS	Fort Mill
PINE TREE CABLEVISION	Aiken County, Bamberg County, Barnwell County, Bethune, Cottageville, Gaston, Jefferson, Kershaw County, Lamar, McBee, Orangeburg County, Perry, Salley, Wagener
PBT COMMUNICATIONS	Gilbert, Lexington, Lexington County, Monetta, Pelion, Ridge Springs, Saluda County, Summit, Wagener
RST COMMUNICATIONS, INC.	Gaffney
SANDHILL TELEPHONE COOPERATIVE	Bethune, Chesterfield County, Jefferson, Kershaw County, McBee, Mount Croghan, Pageland, Patrick
SANDHILL ConNEXTions, LLC	McColl, Marlboro County
SOUTHERN COASTAL CABLE, LLC	Georgetown, Georgetown County
SOUTHERN CABLE COMMUNICATIONS	Georgetown, Georgetown County
TECHCORE CONSULTANTS II	Bowman, Dorchester County, Earhardt, Eutawville, Holly Hill, Orangeburg County
TIME WARNER CABLE, SOUTHEAST, LLC	Andrews, Batesburg-Leesville, Beaufort County, Bishopville, Bluffton, Blythewood, Calhoun County, Cayce, Charleston County, Cheraw Clover, Chesterfield County, Columbia, Conway, Cordova, Darlington County, Dillon, Dillon County, Eastover, Elgin, Florence, Florence County, Forest Acres, Fort Mill-rescinded, Georgetown, Georgetown County, Goose Creek, Hardeeville, Hartsville, Hemingway, Hilton Head, Horry County, Irmo, Jasper County, Kershaw County, Kingstree, Lakeview, Lane, Latta, Lee County, Lexington, Lexington County, Manning, Marion County, McBee, Moncks Corner, Myrtle Beach, Nichols, North Myrtle Beach, Orangeburg, Orangeburg County, Pamplico, Paxville, Pawleys Island, Pine Ridge, Quinby, Richland County, Saluda County, South Congaree, Springdale, St. Matthews, Surfside Beach, Summerville, Sumter, Sumter County, Timmonsville, West Columbia, Williamsburg County, York County
VIDEO VISION, INC.	Fort Lawn, Heath Springs, Kershaw, Lancaster, Lancaster County
YRT2, INC.	Berkeley County, Columbia, Dorchester County, Greenville, Greenville County, Horry County, Myrtle Beach, Summerville