

CableViews

Ohio Cable Telecommunications Association

Issue 4 2017

From the Executive Director: Cable Industry Continues Leadership



*Jonathon McGee,
OCTA Executive Director*

Ohio's cable industry continued its history of technological and community leadership in 2017, building on its proud past with an eye toward the future.

And today, Ohio's cable industry – more than 8,100 men and women throughout the state – are combining innovation and customer service to deliver high speeds and quality programming on Ohio's most reliable networks for businesses and consumers alike.

While the past year has presented some unique challenges in our industry, it has at the Statehouse at least seen the continuance of many challenges the industry has seen in the past.

For the third straight time, the governor's proposed state budget included a new sales tax on cable service, which would have placed us at a competitive disadvantage with our largest competitor, direct broadcast satellite (DBS).

DBS again beamed into the Statehouse to argue for a competitive leg-up. In the past, DBS asked for the sales tax to be levied on top of the franchise fee our customers pay – doubling their tax burden. This time, they argued that if the cable product isn't subject to the sales tax, then neither should the DBS product (curiously, they didn't mention they don't pay the franchise fees paid by cable customers). The OCTA and its members mobilized and educated the state legislature on the unfair nature of the DBS request, and at the end of the day, the budget made no changes to the way Ohio taxes video providers.

The OCTA was also part of a coalition of interested parties that fought a move by the state tax department to apply the sales tax to digital advertising in the state budget and to tax other business inputs.



In this issue, Sen. Gayle Manning discusses her 37 years as a teacher, her work in the Senate and more. See Face to Face, on Page 2.

On the regulatory front, the OCTA has also been active in several open dockets at the PUCO.

2017 saw the adoption of revised Carrier-to-Carrier rules which provide a competitive balance in Ohio. And the OCTA was active in several pole attachment dockets reviewing the new rates filed, and, when needed, intervening in the proceeding to defend the cable industries' interests.

The Ohio Cable Telecommunications Association is fortunate to have a strong team working daily to make sure our industry is well-represented at the Statehouse. None of this of course would be possible without OCTA's members, whose efforts in their respective communities, engagement with local elected officials and state leaders, and continuing support of the OCTA PAC have helped keep our voice strong in Columbus.



C-SPAN's national tour made a stop recently in the Mahoning Valley, where they were hosted by Armstrong. The tour marks C-SPAN's 25th anniversary. Rep. John Boccieri, D-Poland, (above right) and Sen. Joe Schiavoni, D-Boardman, were among the state and local officials who turned out for the event.

Face **to** Face

with Senator Gayle Manning

Sen. Gayle Manning is serving her second term in the Ohio Senate where she represents the residents of Huron and Lorain counties. She currently serves as Majority Whip as well as Vice Chair of the Senate's Finance Committee.

Prior to running for the Senate in 2010, Manning spent 37 years as an elementary school teacher. Manning served as a member of the North Ridgeville Planning Commission and on the North Ridgeville City Council from 2006-2007 where she was appointed Finance Chairwoman and Council President Pro Tempore.

In the Senate, Manning has the opportunity to give back by lending the state her lifetime of experience as an educator, as well as her understanding of local governments and small businesses.

As Chairwoman of the Senate's Transportation Committee during the 130th General Assembly, she was instrumental in the passage of the state's \$7.6 billion transportation budget, which includes the creation of 65,000 jobs through the improvement of Ohio's infrastructure and the bonding of the Ohio Turnpike.

Manning earned numerous awards and citations for her work as an elementary school teacher in the North Olmstead City School system, including being named Educator of the Year by the North Olmsted PTA Council and the Teacher in American Enterprise Award from the Ohio Council on Economic Education. She also was recently named Legislator of the Year by the Ohio County Engineers and the Ohio Nursery and Landscaping Association.

Senator Manning received her bachelor's degree from Kent State University and her master's degree from The University of Akron. She resides in North Ridgeville where she and her late husband, former Rep. Jeff Manning, raised their two children, Allison and Nathan. She spends much of her free time with her young grandchildren.

Fast Facts:

Best Advice You've Ever Received – I would say it was from somebody that told me to always put myself in someone else's shoes and that came from my supervising teacher many years ago. Think of that child in your classroom as if it was your own child. I think of that now in my job. I think it becomes very beneficial now when someone calls on the phone, you try to think of them struggling and maybe they are struggling because they have a different life than what we do. I found it very helpful.

Currently Reading – I just finished the book "Lone Wolf" by Jodi Picoult. I belong to a book club, but unfortunately I don't read a lot of the books unless I can listen to them on tape.

Favorite Sports Team – Cleveland Indians.

Favorite cable channel – TV Land, at 1 o'clock in the morning. I like to watch sitcoms.

Favorite meal – Turkey, dressing, mashed potatoes.

Three things you can't live without – Grandchildren, children and animals

Quote to live by – "Lead by Example."



Jonathon McGee: You spent 37 years as a teacher. What drew you to the teaching profession?

Gayle Manning: When I went to Kent State, we were sitting in a room and they told us that we had to pick a major. At that point in time, I hated babysitting and I had no desire to, but at that time our choices back then were nursing, secretarial or teaching. I chose teaching.

JM: What are your fondest memories from your time in the classroom?

GM: I have often shared with my staff that you have to give a job a while because if I could have quit after my first three years, I would have. But, I couldn't afford to quit, so I stuck with it and my fourth year I fell in love with the job and just making a difference in a kid's life. They are just special.

JM: How has education changed through the years?

GM: I would say that there are a lot more parents both working which I think changes a lot. You don't have the volunteers that help out in the classroom as much. You can't get a hold of a parent as easily if need be and I think it takes a toll on a kid's life. A lot of divorced parents that we didn't have earlier and smaller families. When I started, there would be several families with ten kids. Now you see two kids in a family.

JM: One education-related issue that has been a topic of discussion in recent years has been state assessments, standardized tests. You've had a chance to see this issue from both sides – that of a classroom teacher and as a legislator. What are your thoughts on the issue?

GM: One of the things when I first started teaching was we didn't have any state standards and I do think you need state standards. The reason for that is because I – as a third grade teacher – could choose whatever I wanted to teach in, say, social studies and if I wanted to teach something about local government, the fourth grade teacher could do the same thing, the fifth grade teacher could do the same thing and the kids would never learn anything different. So, the state standards are very important. I personally would get rid of every single state test that we give. I think the comparison that it makes between the districts is horrible. Certain school districts simply do not have the resources to compete with top districts in the state. It makes it difficult to truly draw an apples to apples comparison between a student who goes home and has to take care of his or her younger siblings while the single parent is at work and another student who goes home to two parents who have dinner on the table and spend the evening working on homework with the student. The data from these tests are more reflective of these disparities in income, access to early education, and other factors than they are of true performance and I think that this is a disservice to the state.

JM: I can imagine there are a lot of issues where your experience in the classroom really informs your perspective when it comes to working on public policy at the Statehouse. In addition to your work on education-related public policy, what are some of the other issues you have been focusing on at the Statehouse?

GM: It's funny, when I came into this job and being a third grade teacher, one of the first things my colleagues wanted to do was the third grade guarantee. I yelled loud and clear that I thought this was wrong. I ended up voting for it because they allowed me to put in an amendment that allowed an alternate test rather than the state test if the teacher and the principal thought that the child should have passed it. So, right then and there I learned very quickly how important it is to learn how to negotiate. If you see that something isn't going just right. So, I like to focus on education a lot. Being Senate Transportation Committee chair, I worked a lot on transportation and turnpike issues and making sure that that was bonded instead of sold or leased. Then the other issues I try to work on basically help families in some way, health, safety, those kinds of things. Almost every single thing, though, that we have worked on has come from someone in the district.

JM: Public service is nothing new for you and your family. You served in local government before joining the legislature. Your late husband, Jeff, served in the Ohio House and now your son, Nathan, is serving in the House. How did you get started in public service?

GM: I had parents that had their own business and they focused so much on that. My mom was a PTA mom, she was the president of PTA

at one time. She was a leader in Girl Scouts for a while with my sister and then with me. I really didn't see a lot of that with my family as much as I did with Jeff. He was the one that spent a lot of time doing those kinds of things. So, I think we followed in his footsteps.

JM: What have been some of the most challenging issues you have worked on during your years in public service?

GM: Getting the turnpike legislation through. There were a lot of discussions with the governor's office. We felt that the turnpike, because we were paying for it, a lot of that money should stay in northern Ohio. The chair in the House was from southern Ohio, so that was quite a fight and we felt very strongly about that. I found that very challenging. Like I said earlier, the third grade guarantee I found very challenging. Many of the education issues, I find very challenging, when it comes to charter schools and trying to make sure that everyone is on the same page. I think we all know that Senate Bill 5 was probably the most challenging. I was in here maybe 2 months at that time and I had to take that vote. That was really a difficult time.

JM: You represent the 13th District, which covers all of Huron and Lorain counties. It seems pretty diverse in a lot of ways, including economically with its mix of heavy industry and agriculture. Tell us about it.

GM: I often tell my colleagues that Lorain and Huron counties are little Ohio, because it is. It's rural and urban and we have manufacturing and farming. We have school systems that are struggling and we have some of the best school systems in the state, if not the nation. We have a liberal arts college and we have a community college that is nationally recognized. It is a really diverse group of people. I have one of the largest Hispanic Latino groups in the State of Ohio. When I go out and talk to people locally I hear both sides of the story. To me, that's great and because of that, I think I do a better job of representing the State of Ohio.

JM: What is the most rewarding part of your job?

GM: It's always helping people, but I just don't feel like, you know as a teacher you felt like you really, one on one, you felt like you really made a difference in a kid's life, so you want to say it's helping people. But, I think the thing that I like the most is being able to go to different events in my community and see the good work that people do. I was shocked. You live your own local life and I was a teacher and a mom and I focused on those areas and I kind of ignored the rest of the area. Didn't really know a lot about Huron County, but then you go out and see the good that people are doing. To me, that's the most important thing.

JM: You are in your final term in the Ohio Senate. Have you decided what you might like to do next?

GM: No, I've had lots of discussions with people asking me to do something countywide or statewide, but I think I will wait until after Christmas when I have a little more time and sit down and have more of those conversations with the people who have been talking to me about it and I will probably decide in January.

JM: One final question, any advice for the cable industry.

GM: Don't raise our prices and don't raise our taxes.

Capital Update

Save-the-Date

The 2018 OCTA Legislative Luncheon is scheduled to be held on Feb. 28 beginning at 11:30 a.m. with a photo opportunity with the speaker, Amy Holmes. The luncheon will be held at the Columbus Renaissance Hotel, 50 N. Third St., Columbus. Please RSVP to April Barrowman.

Amy Holmes, a widely seen and respected pundit, analyzes the political spectrum. From her perch as a former speechwriter for former Senate Majority Leader Bill Frist, Holmes understands the inner workings of a political party and the policies that dominate the news. With 15 years in Washington, DC, she offers a unique look into the future. She offers a unique look into both the future of American politics under the Trump administration, the Congressional leadership, and all the current hot-button issues - and what it all means for the American people. Her presentation is humorous, edgy, and intellectually stimulating - and sure to inform audiences about the up-to-the-minute pulse of American politics.



Amy Holmes

Legislative Update

Broadband Expansion Legislation: The House Finance Committee has now held three hearings on Rep. Rick Carfagna's House Bill 281, which would create the Residential Broadband Expansion Program (RBEP) to be administered by the Ohio Development Service Agency (DSA). At these hearings, testimony in support of the bill has been heard from Connect Ohio and organizations representing local government. A substitute bill was accepted at the most recent hearing. The OCTA is currently reviewing the substitute bill.

Also, sponsor and proponent testimony was given by co-sponsors Rep. Ryan Smith, R-Bidwell, and Rep. Jack Cera, D-Bellaire, on House Bill 378. This bill mirrors a bill previously introduced in the Senate (Senate Bill 199) to provide \$100 million in Third Frontier bond money for rural broadband buildout. Smith reiterated that this is just to begin discussions on rural broadband.

On the Senate side, since Cliff Hite (who, along with Sen. Joe Schiavoni, was co-sponsoring Senate Bill 199) resigned, Schiavoni has reintroduced the legislation with a new Republican co-sponsor: Sen. John Eklund, R-Munson Township. The new bill is Senate Bill 225 and it has not had any hearings.

Threatening Utility Workers: Republican Reps. Jeff Rezabek of Clayton and Dave Greenspan of Westlake introduced House Bill 276 to expand the offense of aggravated menacing to prohibit threatening a utility worker with the intent to obstruct the operation of a utility. The bill as introduced included "cable" in the definition of "utility." The OCTA was concerned that this could cause confusion as cable is not considered a utility for regulatory purposes; as such, an amendment to the bill was prepared that would treat cable separately from other utilities. The OCTA Board voted to support this legislation with the change. This change was added to the bill at a hearing on Dec. 12.

Disaster Relief: In mid-March, Rep. Scott Ryan, R-Newark, introduced House Bill 133, which would exempt out-of-state disaster businesses and qualifying out-of-state employees from certain taxes and laws with respect to disaster work on critical infrastructure performed in this state during a declared disaster. The OCTA Board authorized the OCTA to support this legislation.

On Sept. 13, this bill was unanimously passed by the House. It was referred to the Senate Ways and Means Committee on Nov. 15. It has not yet had any hearings.

New AT&T/OTA Deregulation Legislation: New legislation further deregulating incumbent local exchange carriers (ILECS) was recently introduced by Rep. Brian Hill, R-Zanesville, as House Bill 402. This legislation would allow ILECSs to make changes to Basic Local Exchange Service and lifeline regulation.

The OCTA is currently working with the Ohio Telecom Association and the bill's sponsor on effecting changes to the bill.

New Members: Ohio House Republicans are likely to fill a pair of vacancies in their ranks early in 2018.

Five applicants, including former GOP Rep. Jim Hoops, are seeking appointment to northwest Ohio's 81st District seat, previously held by Republican Rob McColley, who was recently appointed to the Ohio Senate.

In northcentral Ohio, 10 candidates have applied for appointment to Republican Wes Goodman's former seat in the 87th District.

Those appointed to the respective seats would serve until the end of 2018 and it's expected they would seek election to a full two-year term in 2018. All members of the Ohio House serve two-year terms, which are elected in even-numbered years.

Continued on page 5

PUCO Update

New FirstEnergy Pole Attachment Filing: On May 1, 2016, FirstEnergy (FE) filed new tariffs under the new Commission procedure governing pole attachment tariffs. This filing had flaws and the PUCO staff suggested to FE that it withdraw the May filing and refile, which FE did on May 25.

OCTA staff worked with legal counsel to review the new rates. Upon review, the new rate calculations were correct. As such, the OCTA did not seek to intervene in the case.

Under PUCO procedures, the new rates would have gone into automatic effect on July 25, but the PUCO suspended the matter for further review. On Oct. 11, FE withdrew the May applications and refiled its tariffs with the below rates. These are the same rates as in the May applications, and there are no new language changes proposed.

As the rates were correctly calculated under the PUCO formula, the OCTA Board did not elect to object to the October filing. As such, the new rates will become effective on December 11, 2017.

AT&T Pole Attachment Filing: On Oct. 10, AT&T filed a new application to adjust the rates under its pole attachment tariff. It proposes:

- To increase the pole attachment fee from \$2.44 to \$2.57 per pole per year. (A 5.3% increase).
- To decrease the conduit attachment fee (with innerduct) from \$0.55 to \$0.51 per foot per year. (A 7.3% decrease).
- To decrease the conduit attachment fee (without innerduct) from \$0.83 to \$0.77 per foot per year. (A 7.2% decrease).

There were no language changes proposed. AT&T seeks the new rates to become effective on January 1, 2018.

The rates were reviewed by the OCTA and legal counsel and determined to be correctly calculated under the PUCO formula. As there was no basis to object to these new rates, the OCTA Board did not file an objection. The rates will become effective on Jan. 1, 2018.

Retail Rules: On Aug. 9, the PUCO issued an entry adopting revised retail rules affirming an early April decision. The OCTA had disagreed with the April adoption of rules that the OCTA believed were not based on statutory authority given to the PUCO. The OCTA is concerned that the proposed rules would put Title II type regulations on currently unregulated providers and technology.

With the Aug. 9 decision, the rule making process would have moved to its next phase, but the Consumer Groups filed an unexpected and last-minute request for rehearing which delayed the process. On Oct. 4, the PUCO dismissed the Consumers' request.

Next, the PUCO will sometime in the near future file the proposed rules with the Joint Committee on Agency Rule Review (JCARR), a legislative panel that has some limited authority over proposed rules. This has not yet been done. The OCTA is working to educate the members of JCARR on our position.

The amended rules and all filings in this docket may be reviewed here: <http://bit.ly/PUCO14-1554-TP-ORD>

Carrier-to-Carrier Rules: On Jan. 18, the PUCO issued staff proposed changes to the rules for comment. On April 19, the PUCO issued an Entry adopting the rules. Overall, the OCTA is very pleased with the final rules issued by the PUCO.

The rules are now before JCARR for review. Once this review is completed, the rules will become effective and the OCTA will so advise you.

The rules may be found here: <http://bit.ly/PUCO16-2066-TP-ORD>

Ohio Cable★PAC

Ohio Cable Political Action Committee

Company Participation

(January 1 – December 19, 2017)

Company	Amount Raised	Goal
Armstrong Cable	\$2,496	\$2,496
Buckeye Broadband	\$1,938	\$10,972
Comcast	\$5,250	\$1,430
Cox Communications	\$1,450	\$1,500
G.L.W. Broadband	\$400	\$400
MCTV	\$20,500	\$2,750
Suddenlink	\$0	\$1,400
Total	\$32,034	\$20,948

Individual Contributions

(October 10 – December 19, 2017)

Buckeye Broadband

Mike Bilik
Jessica Pitzen
Jeffrey Abbas
Sarah Riedeman
Charles Riley
James Wolsiffer

Erie County Cablevision

Nicholas Vitou

OCTA

April Barrowman

2017 Annual Meeting



Ohio Auditor Dave Yost shared his insights with members of Ohio's cable industry.



Auditor Dave Yost (right) talks with R.J. Walker, VP of Engineering, Operations and IT Services, serving Buckeye Broadband, Telesystem and MaxxSouth.



Bob Gessner of MCTV talks during the annual meeting's operator panel, which also featured R.J. Walker of Buckeye Broadband, Shawn Beqaj of Armstrong and Connie Luck of Charter Communications.



Jeff Arthur, VP Worldwide Distribution, INSP, accepts the OCTA Affiliate Member of the Year award from OCTA Board President Kelly Rehm, general manager of MCTV.



Eric Claytor (left), SVP, Affiliate Distribution and Marketing with Entertainment Studios Networks, talks with Kelly Rehm, general manager at MCTV and president of the OCTA Board of Directors



Gretchen Petrucci with Vorys, Sater, Seymour & Pease LLP and Ted Baecher with Charter Communications shared their insights during a discussion on state and federal policy.

**Thanks to our members and friends who supported
the OCTA through contributions in 2017!**

A&E Television Networks
Armstrong
Baker Installations
beIN SPORTS
Buckeye Broadband
Byers, Minton & Associates, LLC
Charter Communications
Comcast
Cox Communications
Crown Media Family Networks
Davis Wight Tremaine
Disney/ESPN
Entertainment Studios Networks
GLW Broadband Inc.
Grant Street Consultants
INSP
MAVTV Motorsports Network
MCTV
NBCUniversal
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Ohio Utilities Protection Service
Outdoor Sportsman Group Networks
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Cable Calendar

NCTC & ACA Winter Educational Conference

www.nctconline.org

When: February 12-13, 2018

Where: San Antonio, TX

ACA Summit

www.americancable.org

When: March 20-22, 2018

Where: Grand Hyatt
Washington, DC

ALEC 2018 Spring Task Force Summit

www.alec.org

When: April 27, 2018

Where: Amway Grand Plaza
Grand Rapids, MI

SAVE THE DATES! **2018 OCTA EVENTS**

Feb. 28 – Legislative Luncheon, Renaissance Columbus
Downtown Hotel, Columbus, OH

May 22 – Legislative Reception & Technology Demo,
Capital Theatre Lobby, Vern Riffe Center, Columbus, OH

June 25 – Golf Outing, The Lakes Golf and Country
Club, Westerville, OH