

Office of
CHAIRMAN JAMES H. QUELLO
FEDERAL COMMUNICATIONS COMMISSION

The Honorable Ronald H. Brown
Secretary of Commerce
United States Department of Commerce
Constitution Avenue & 14th Street, N.W.
Washington, D.C. 20230

August 26, 1993

Dear Secretary Brown,

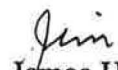
Thank you for your recent letter regarding the FCC's rulemaking proceedings regarding cable television rate regulation. Your understanding of the immense task thrust upon the Commission, as well as your kind words regarding our sincere efforts to interpret and implement the will of Congress, are most appreciated.

I also appreciate your concern for small cable system operators; it is a concern I share. As I told attendees of the National Cable Television Association Convention in June, I do not believe the Commission has yet gone far enough in protecting small operators from excessive administrative costs. Congress was quite clear in directing the FCC to reduce the regulatory burden on small systems.

Accordingly, the FCC this month stayed enforcement of rate regulations for systems of 1,000 or fewer subscribers pending final reconsideration of our rules. We are actively considering various proposals that relate to the problems of small systems on reconsideration and in our rulemaking proceeding on cost of service standards. We welcome NTIA's participation in these proceedings and will carefully consider its views on these important issues.

Thank you again for your letter on this important subject.

Sincerely,


James H. Quello
Chairman

cc: Larry Irving