

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

SEP 2 9 1993

The Honorable Edward J. Markey United States House of Representatives Room 316 Ford House Office Building Washington, D.C. 20515

Dear Chairman Markey:

I want to thank you for the cooperative tone that you established at today's hearing and for your warm personal remarks regarding my FCC administration. I hope you came away with the firm understanding that the Commission is fully committed to carrying out the intent of Congress in enforcing the rate provisions of the 1992 Cable Act.

As was made clear at the end of the hearing, the Commission agrees with your call for prompt completion of the current rate survey and a careful analysis of the data. We will use this survey to support our examination of possible flaws or loopholes in our rules and to begin flagging apparent evasions or violations by cable companies.

In my own view, rate reductions for two-thirds to three-quarters of subscribers should remain one of our prime objectives. While I personally would be disappointed if we fell short of this goal, I am sure you will understand that the Commission itself could never officially "agree" to reach a predetermined universal goal that is not expressed within the terms of the Act. The Commission used those numbers in April as an estimate of the effect of our regulations based on our December 1992 survey data, as I mentioned in my statement. However, I personally believe that a substantial majority of rates expressed in dollars or percentages must go down in order to properly implement the intent of Congress and the FCC.

I look forward to working with you in the future as we move forward on this important issue.

Sincerely,

James H. Quello Chairman

