Separate Statement of Commissioner James H. Quello

In the Matter of Reexamination of the Effective Competition Standard for the Regulation of Cable Television Basic Service Rates, MM Docket No. 90-4.

As the only Commissioner who was here when the three signal standard was adopted, I welcome today's decision to further review the appropriate test for effective competition for cable television. I reluctantly voted for the three signal test in 1985, when must carry rules were still in effect, and my doubts about its viability have increased during the intervening years.

Based on this experience, I am skeptical that any standard predicated on the availablity of over-the-air broadcasting signals adequately represents "effective competition" with cable television. As the Further Notice makes clear, a broadcast station is an adequate substitute for only certain aspects of the unique cluster of services that a cable television provides. Moreover, the instant review is premised on changed circumstances in the video marketplace. It is a safe bet that the process of change will continue in the future, and I am not confident that time will be kinder to a six signal standard than it has been to the current test.

I am convinced that the only true competition to cable television is another viable multichannel provider. Until such competition exists, however, I support the concept of establishing alternative conditions as indicators of effective competition and look forward to reading the comments in this proceeding. I am particularly hopeful that some form of "good actor" test or a standard based on multichannel competition can be fashioned that will balance the complex interests at stake.

