

November 23, 2016

Washington Post

We don't need the FCC': A Trump advisor's proposal to dissolve America's telecom watchdog

New York Post

Former Cablevision owners have gone from friends to foes: Altice

Washington Post

How AT&T defends its free data policy to skeptical regulators

TBI Vision

Amazon 'exploring' live sports offering

New York Times

Billionaires vs. the Press in the Era of Trump

Bloomberg

How Fake News Blew Up Into a Political Crisis for Facebook

Zap2lt

Cable Top 25 for Week Ending November 20

Philadelphia Inquirer

Pa. to release \$400,000 porn email report - but it won't name names



BCAP offices will be close Thursday & Friday, November 24 & 25

Robert F. Powelson was the head of the Chester County Chamber of Business and Industry in 2008 and unfamiliar with the nuances of utility issues when Gov. Ed Rendell named him to the Pennsylvania Public Utility Commission.

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Powelson, now deeply immersed in the business of utility oversight, last week assumed a one-year term as president of the National Association of Regulatory Utility Commissioners (NARUC), the Washington advocacy group for state public utility commissioners. "It's going to be a very big year for us as an organization, and I'm really gearing up," Powelson, 47, said in an interview Monday. "For me personally, it's a real hallmark in my career to have this opportunity.

His term at NARUC comes at challenging moment: The incoming Trump administration is expected to put in play a wide range of energy-policy issues, such as President Obama's Clean Power Plan, that directly affect the work of state utility regulators. "We as an organization obviously are going to be intensively involved in this transition," said Powelson, a Republican.

As head of a national organization of 258 regulatory commissioners from 50 states, the District of Columbia, and

several territories, Powelson needs to straddle a nonpartisan line to represent the common interests of state organizations that have a diversity of political cultures.

Many states came down on opposing sides of Obama's Clean Power Plan, which if it survives court challenge would give states individual targets for reducing greenhouse-gas emissions. NARUC's position during the plan's formulation was to encourage the U.S. Environmental Protection Agency to avoid a one-size-fits-all approach and allow the states to devise individual plans to respond to the federal targets, rather than taking a position for or against the policy.

"We try to reach consensus on issues," Powelson said. He said NARUC's main concern is to assert states' authority to govern utility rate-making and oversight in harmony with federal energy, communications, and transportation agencies. "We staunchly focus on states' rights and respecting the regulatory compact," he said.

Powelson knows a few things about working in a bipartisan environment. He was first appointed to the PUC by Gov. Rendell, a Democrat, and was reappointed to a five-year term in 2014 by Republican Gov. Tom Corbett. By law, the PUC membership is mixed, so the commissioners tend to play down party affiliations. He said he will focus on three critical issues driving the future of utility regulation: infrastructure; innovation in new technology; and investment in people.

One area on which NARUC has butted heads with the federal government is pipeline oversight. State commissions traditionally have governed local gas-utility systems, and the federal government has jurisdiction over the safety of larger pipelines. With expansion of shale-gas development, states like Pennsylvania have asserted more oversight of large pipelines, but are unable to hire enough pipeline-safety engineers, who are certified at a single federal training facility.

NARUC has urged the Federal Pipeline and Hazardous Materials Safety Administration to train more inspectors. "Wouldn't you think if you could expand training, that would be good for consumer protection?" Powelson said. "And so we fight with them, saying you've got to expand this training regime." – *Philadelphia Inquirer*

AT&T's top government-affairs exec said the telco's sponsored-data policies are "pro-consumer" -- and argued that the company's exemption of data-usage charges for DirecTV video apps for AT&T wireless customers does not put competitors at a disadvantage.

Robert Quinn, AT&T's senior VP ?of external and legislative affairs, outlined the company's position in a formal response sent Monday to Jon Wilkins, chief of the FCC's Wireless Telecommunications Bureau. In a letter earlier this month, Wilkins said the agency had "serious concerns" about the DirecTV zero-rating practices and the telco's sponsored-data

program, saying they "may obstruct competition and harm consumers by constraining their ability to access existing and future mobile video services not affiliated with AT&T."

At issue: AT&T's "Data Free TV," which rolled out in September. Under the program, customers with both AT&T wireless and DirecTV can stream an unlimited amount of video through the satellite operator's app without counting toward their monthly data-usage bucket. (U-verse subs who also have AT&T wireless get the same perk.) The telco also plans to provide that "zero-rating" benefit to customers who have both the DirecTV Now broadband-delivered bundle, priced at \$35 per month for 100-plus channels, and AT&T wireless.

That puts other video providers at a disadvantage, according to Wilkins: "While there is no cash cost on a consolidated basis for AT&T to zero-rate its own affiliate's mobile video service (since DirecTV's 'cost' of Sponsored Data is equal to AT&T Mobility's sponsored data 'revenue'), an unaffiliated provider's Sponsored Data payment to AT&T Mobility is a true cash cost," he wrote in the Nov. 10 letter.

But AT&T's Quinn said that assertion is "flatly incorrect." "Data Free TV is certainly not free to AT&T," Quinn wrote. With increasing usage on its mobile network, he wrote, "AT&T will need to respond to those new usage demands by making capital-intensive investments, which will add to the billions AT&T has already spent to keep up with skyrocketing mobile video usage."

According to Quinn, in the first four weeks after the launch of Data Free TV, nearly 3 million consumers who have both DirecTV and AT&T wireless took advantage of the feature, and the number of DirecTV Everywhere streams per month tripled versus one year earlier.

The FCC's 2015 Open Internet Order does not prohibit sponsored-data services, and even acknowledges they may provide consumer benefits. But Wilkins said the Wireless Bureau's concern was that AT&T's pricing to unaffiliated providers "could render infeasible any third-party competitor's attempt to compete with the \$35 per month retail price that AT&T has announced for DirecTV Now."

According to Quinn, that's also off-base. AT&T makes its sponsored-data program available to all content providers on the same terms and conditions as it does for DirecTV, he maintained. The rates the telco offers to third parties are "as low as the market-based rates AT&T currently offers even to wireless resellers who commit to significant purchase volumes," the AT&T exec wrote. In fact, Quinn claimed, AT&T has gone beyond the nondiscrimination requirements traditional law would require by allowing content providers to specify how much data they want to sponsor and charging them "the same low per-gigabyte rate regardless whether they are big or small or how much data they purchase."

Meanwhile, the FCC's leadership is set to change with Donald Trump moving into the White House next year. On Monday,

the president-elect designated two members of his transition team to focus on the FCC -- economists Jeff Eisenach and Mark Jamison -- both of whom are strongly opposed to the FCC's network neutrality rules, adopted under the Obama administration. The two are considered to be candidates for chairman of the FCC to replace Obama appointee Tom Wheeler. – *Variety*

A new study reopens a debate over whether Google's search results lean liberal, a bias that could influence public opinion.

An analysis by online-search marketer CanlRank.com found that 50 recent searches for political terms on Google surfaced more liberal-leaning webpages than conservative ones, as rated by a panel of four people. Alphabet Inc.'s Google denies allegations of bias. "From the beginning, our approach to search has been to provide the most relevant answers and results to our users, and it would undermine people's trust in our results, and our company, if we were to change course," a Google spokeswoman said in an email.

The company says its search results are "determined by algorithms using hundreds of factors" and "reflect the content and information that is available on the internet." The CanlRank analysis has weaknesses, most notably its reliance on four people's judgments. Moreover, the findings are somewhat mixed: The searches surfaced more pages rated as "liberal" than "conservative" on a 5-point scale, but more pages were rated "very conservative" than "very liberal."

Still, the report's findings may fuel concerns about the influence of a handful of internet companies and their often-opaque computer programs. Facebook Inc. is battling accusations that it widely circulated false news stories during the presidential campaign. "We're talking about a historical level of control over the public sphere," said Zeynep Tufekci, a University of North Carolina professor who studies technology's impact on society. Google's search engine prioritizes certain websites over others, she said. "The question of how this works...is a healthy question to raise for a democracy."

The CanlRank analysis echoes a study from the University of Maryland in December that found searches for the names of Democratic presidential candidates displayed more supportive websites than did searches for Republican candidates. Google has faced accusations of a liberal slant. Over the summer, a pop-culture site claimed Google's autocomplete feature hid negative suggested searches for Hillary Clinton, which Google denied. The University of Maryland and CanlRank analyses are among the few, if only, attempts to measure any potential bias in Google results.

CanlRank, which helps websites rank higher in Google results, in October conducted Google searches on desktop computers for 50 political terms—from "abortion" and "ISIS" to "hillary clinton illness" and "donald trump lies"—and collected the first

40 results for each search. A panel of four people—two conservatives and two liberals with backgrounds in politics and online search—then ranked each page on a political spectrum on a one-to-five-point scale, with five being the most conservative.

The panel ranked each page on its own merits, meaning one Wikipedia page or Wall Street Journal article could be ranked differently than another. The company said the panel agreed unanimously on nearly half the pages, and were within one point on the spectrum for nearly 90% of them. Of the roughly 2,000 pages analyzed, the panel rated 31% as liberal and 22% as conservative. The remaining 47% of pages were rated neutral, including many from government or mainstream news websites.

Search results for "minimum wage" slanted liberal, for instance, while results for "does gun control reduce crime" slanted conservative. Some searches delivered a nearly even mix of liberal, conservative and nonpartisan pages, including those for "financial regulation," "estate tax," and "federal reserve." Academics who study Google's search algorithm said any biases are likely unintentional and may reflect the composition of the internet. The most important criteria in Google's ranking algorithm are how many other sites link to a page, the relevance of the page's content to the search query and the overall quality of the page, according to online-search marketers.

The academics theorized that liberals create more content—and link to each other—more frequently than sites created by conservatives. "Google is basically a popularity engine in the sense that the more links you have, the higher you're ranked," said Nick Diakopoulos, a journalism professor at the University of Maryland who studies algorithms and a co-author of the-study on candidates' names. "If you have a larger cluster on the left and more linking between those pages, it's a self-reinforcing thing."

That system has helped insulate Google from the controversy over fake news because, unlike Facebook, Google's search engine rarely surfaces fringe websites that distribute propaganda. But academics say the search algorithm's opacity is still a concern, given Google's dominant role. "No one really knows what (Google's search engine) is doing," said Christo Wilson, a Northeastern University computer-science professor who has studied online search. "This is a big, complex system that's been evolving for 15 years." — *Wall Street Journal*



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