

COUNTY OF EL DORADO

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CITY OF SOUTH LAKE TAHOE

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August 21, 2018

Ms. Lisa Ludovici
Charter Communications
Director, Government Affairs
270 Bridge Street
San Luis Obispo, CA 93401

Dear Ms. Ludovici,

On June 6th, 2018, Charter Communications ceased providing South Lake Tahoe, CA residents with programming from KCRA-3, Northern California's highest-rated news station. This station has for years provided South Lake Tahoe area residents with news coverage, emergency information and weather updates that are essential to their safety. Charter Communications' decision left residents with news coverage from an out-of-state television station based in Reno, Nevada, which does not provide the California-centric content South Lake Tahoe area residents count on and desire.

The Federal Communications Commission (FCC), the government entity responsible for approving designated geographic broadcast markets, excluded South Lake Tahoe from the Sacramento Designated Market Area (DMA), instead putting the City into the Reno, NV DMA. There is a process to petition the FCC for a Market Modification, but neither the City of South Lake Tahoe nor El Dorado County meet the criteria to do so. However, Charter Communications does.

The FCC's Market modification rules provide a process for cable operators to request changes to the boundaries of their local television markets to include a community located in a neighboring local television market. In fact, it states "*Congress allows the FCC to modify the boundaries of a particular commercial broadcast TV station's local television market assignment for cable or satellite carriage purposes. The Commission's market modification process recognizes that local television market assignments based on Nielsen's DMAs are not always providing consumers with the broadcast TV stations of the most local interest to them.*" In our case, this would allow Charter Communications to petition the FCC to allow it to carry to South Lake Tahoe area customers KCRA-3, which is in the Sacramento DMA.

To ascertain whether KCRA-3 or the Reno station is preferred by impacted residents, El Dorado County conducted a survey to learn their preferences of news stations, their feelings about the change Charter Communications made, if they would like the change reversed and their desire to continue to be Charter Communications customers, among other things. The results, while not scientific, clearly demonstrate the importance of receiving KCRA-3 content (95%), a nearly-unanimous desire to have KCRA-3 made available again (95% of respondents) and more than three quarters (77%) of respondents indicating they are considering dropping the cable company. We would be happy to share the full results with you upon request.

The petition for a Market Modification requires evidence that demonstrates a community – South Lake Tahoe in this case – is part of a particular station’s market – KCRA-3 in this case. It points to five suggested statutory factors, all of which are met in our situation. In fact, the example provided by the FCC demonstrating what specific evidence must be provided in a Market Modification petition says: *“For example, if you want to show that the in-state factor ... should be given greater weight, evidence could be offered that the television station provides programming specifically related to the subscribers’ state of residence...”* This is clearly the case with KCRA-3.

We respectfully request Charter Communications petition the Federal Communications Commission to include South Lake Tahoe, CA in the Sacramento DMA. There is no rational reason to prevent cable subscribers in South Lake Tahoe from receiving emergency information, news, weather and other content from the highest-rated Northern California news station and offer them only out-of-state content. Our situation clearly meets the criteria for modification consideration, residents have registered their dissatisfaction with elected officials in the City of South Lake Tahoe and El Dorado County with the elimination of the only California-based news station in favor of an out-of-state station, and Congress has provided this method as a way to provide customers with television station content of the most interest to them.

We offer our assistance in any way possible with the petition we are asking Charter Communications to submit to the FCC and look forward to your response.

Sincerely,

Michael Ranalli, Chair
El Dorado County Board of Supervisors

Wendy David, Mayor
City of South Lake Tahoe