

## **RE: New Report Based on the FCC's June Open Meeting Pertaining to Cable TV Rates and Regulations**



**Call for Investigations into the Overcharging of America's  
Cable Subscribers.**

**Congress Needs to Examine the Actions and Failure of the  
FCC to Protect the Public.**

THE IRREGULATORS

Bruce Kushnick, Managing Director  
Tom Allibone  
Chuck Sherwood  
Ken Levy  
Paul Hartman  
Sascha Meinrath

July 23<sup>rd</sup>, 2025

## **TABLE OF CONTENTS**

INTRODUCTION

PRIMARY ISSUES

FCC OPEN MEETING FARCE

THE INTENT OF THE CABLE ACT OF 1992

The Rest of this Report will summarize the following items

- 1) Overcharged: US Cable and Communications services vs Overseas --Where is the investigation?
- 2) The Basic Tier has been sliced and diced and no longer exists.
- 3) Junk Fees added to the Basic Tier is illegal and no audits exist.
- 4) The Social Contract added \$5.00 a month since 2000 for network and school upgrades-- which mostly never happened.
- 5) Cable TV USOA and State Financials shows massive cross-subsidies.
- 6) The FCC needs to stop telling America prices went down or that there is competition in America.

# IRREGULATORS

---

## INTRODUCTION

The [FCC conducted an Open Meeting June, 27, 2025](#) that was dedicated, in large part, to the strip mining of consumer protection rules and regulations governing cable services, including removing those pesky, burdensome rate regulations, regulations on the equipment, and even an elimination of the forms and accounting to determine rates. And this is tied to Chairman Carr's "Delete, Delete, Delete".

Watching the video of Chairman Carr, the new Republican Commissioner, Olivia Trusty, and a collection of staff with titles like "Media Bureau Attorney Advisor" - at the end of the segment on Cable Deregulation -- This should be called Nightmare on "L" Street.

## PRIMARY ISSUES

- The IRREGULATORS calls for investigations are based on the massive financial cross-subsidies that we found in the Comcast NY Cable TV franchise annual reports as filed in NY, that have been subsequently redacted in NY, and we assume other states. We supply documentation herein.
- Second, we believe that the Data Quality Act has been violated, and we detail that the information supplied by the FCC is not objective, not accurate and therefore not useful for creating public policies. More importantly it is biased as it is based on corporate information and analysis where actual bills were not used to do the analysis of pricing.
- Third, Basic Tier services have been turned into a customer slap in the face. The FCC has left out basic material facts in the presentation to close down the cable TV regulations -- it never shows any actual cable bills or the fact that the companies have abandoned millions of customers or priced them out of service because of the manipulation of the 'basic tier' accounting.
- And the FCC must make public All audits or investigations and rate cases that include all financial reports of the cable TV annual report franchises and all of the cable TV bill charges that a customer pays.
- Fourth, Remove the Junk Fees. Why has the FCC allowed large surcharges and junk fees to be added to the basic cable tier, making the prices unjust and unreasonable.
- Fifth, the FCC has done nothing to explain why the prices overseas for a triple play or wireless are a fraction of what we pay in America.
- How can a cable triple play in the US average \$230+ while overseas, French Free Telecom is offering a better service for \$30-\$40 a month? We are overcharged \$200 a month. Sixth, how can Chairman Carr and the FCC keep repeating that prices went down, a fiction of the industry statistics vs actual bills customers pay -- prices continually have gone up.

# IRREGULATORS

---

- Seven, the FCC's Open Meeting: was a choreographed farce. It is now clear that the FCC's failure to protect the public interest in cable and telecom helped to create the Digital Divide.

**Conclusion:** We demand a full financial explanation that is not based on corporate miss-information. The FCC should not be allowed to remove the basic cable regulations when it has not answered the above questions, but explain what new regulations are needed to halt all of the bad acts and burdens and harms placed on the American public.

This Report is based on our previous work, and we have used this format to make it more "public" friendly.

**The FCC's Open Meeting: Not one question or comment in a choreographed farce.**

"Adoption of the report, in order, will unleash prosperity through deregulation and is consistent with the goals of the Commission's delete, delete, delete docket, which evaluates technological and marketplace changes in order to alleviate unnecessary regulatory burdens that might stand in the way of investing in modernizing networks. Developing infrastructure and offering innovative and advanced communications.

- **ACCOMPLISHMENT: 27 Pages, 11, 475 words, 77 rules, 8 forms.**
- **"In total, the new order will remove approximately 27 pages, 11,475 words, 77 rules or requirements, and eight forms from the Commission's rules. Reducing burdens on affected parties."**

Wow. 27 pages removed -- yet billions of dollars of overcharging continued with impunity. Scorecard shows: Failed miserably

We have prepared this summary of issues to expose that over the last 3 decades, the FCC's failed to enforce basic regulations that were supposed to keep America's cable TV and all other services 'reasonable'.

In fact, regardless of the hype, America is being overcharged on All services as compared to overseas prices, the coverage areas of the companies' services are inadequate and in fact help to create the Digital Divide,

## THE INTENT OF THE CABLE ACT OF 1992:

- The Cable Act requires that prices are ‘reasonable’
- The Cable Act was based on a plan that allowed the companies to have the customers also help fund these networks, but there were limits
- Section 623 of the Communications Act requires the Commission to adopt regulations to ensure that rates charged for the basic tier of cable service are reasonable.
- There were financial tests, and requirements that considered the costs of building and upgrading the networks.

### Here are some of the actual language.

- “Cable operators seeking an upgrade rate increase have the burden of demonstrating the amount of the net increase in costs, taking into account current depreciation expense, likely changes in maintenance and other costs, changes in regulated revenues and expected economies of scale.”

There were cost allocation requirements so that specific expenses could be tracked,

- “Cable operators seeking a rate increase for network upgrades shall allocate net cost increases in conformance with the cost allocation rules as set forth in [§ 76.924](#).”
- “Network upgrade rate increase.--Cable operators that undertake significant network upgrades requiring added capital investment may justify an increase in rates for regulated services by demonstrating that the capital investment will benefit [subscribers](#), including providing television broadcast programming in a digital format.

And in some cases, the rate increases would be applied only after it was proven that the networks would be related and benefit the cable subscribers.,

“The upgrades shall allocate net cost increases in conformance with the cost allocation rules as set forth in [§ 76.924](#).

“Cable operators that undertake significant upgrades shall be permitted to increase rates by adding the benchmark/price cap rate to the rate increment need.

“A rate increase on account of upgrades shall not be assessed on customers until the upgrade is complete and providing benefits to customers of regulated services.

# IRREGULATORS

---

“Cable operators seeking a rate increase to recover the net increase in cost attributable to the upgrade.”

If this was the intent of the law, and the language that made it clear that rate increases and expenses had to be related to the service, every item we present violates at least the intent of the law.

These FCC actions to erase the laws claim that there is competition, and that Congress removed the basic rate regulation on anything but ‘basic tier’.

“In the 1990s, the Commission developed a regulatory scheme to implement this statutory requirement. Today, cable operators face far more competition. In addition, Congress eliminated rate regulation for cable services other than the basic tier of service over 25 years ago.

“In light of these changes, the Report and Order, simplifies part 76 of the rules by eliminating complicated and unnecessary methodologies. W

“The calculations are based on historical data and obsolete forms. It also terminates the Open Rate rulemaking proceedings, dismisses any related appeals, and closes their dockets.”

“The report, in order, deregulates cable equipment that is not used exclusively to receive the basic tier of service, and limits rate regulation to services---provided to residential subscribers only.

What this does is erase the primary audit trail, so that the entire process has been eliminated, and thus prices can go up because there is no methodology to examine and question this strip mining of the regulations ---

**The Rest of this Report will summarize the following items**

- 1) Overcharged: US Cable and Communications services vs Overseas -- Where is the investigation?**
- 2) The Basic Tier has been sliced and diced and no longer exists.**
- 3) Junk Fees added to the Basic Tier are illegal and no audits exist.**
- 4) The Social Contract added \$5.00 a month since 2000 for network and school upgrades-- which mostly never happened.**
- 5) Cable TV USOA and State Financials show massive cross-subsidies.**
- 6) The FCC needs to stop telling America prices went down or that there is competition in America.**

We want an answer to the question -- Why are America’s prices out of control as compared to overseas services being offered?

# IRREGULATORS

---

## 1) **Overcharged: US Cable and Communications services vs Overseas -- Where is the investigation?**

- We found \$200 a month in overcharging: for a triple play vs overseas. The FCC There has been no serious investigation of why overseas prices are a fraction of what America pays for cable TV, voice, streaming-broadband and wireless.
- The FCC has an obligation to examine these harms to America's customers before it removes basic regulations, and all of this proceeding also impacts ever service, such as bundled Cable TV, streaming and voice service are all harmed.
- \$243 a month for a 'triple play' (Spectrum NY) vs \$45 a month overseas (French Free Telecom)
- Our previous work documents a massive discrepancy for all Cable TV, broadband and wireless services.

We wrote and documented the overseas prices vs the US using respected research groups overseas, including the EU Broadband Commission and Rewheel, a specialist in wireless prices worldwide

- [\*\*America's Egregious Broadband Rates vs Overseas Prices. Why?\*\*](#)  
America's prices are 5–10 times higher than comparable data from other countries
- [\*\*Broadband Breakfast: Look Overseas, America's Prices for Broadband are Out of Control\*\*](#)
- [\*\*"No Gimmicks" Vs America Is Getting Screwed. The Free French Telecom Fiber Optic Triple Play vs Spectrum-NYC Prices.\*\*](#)

## 2) **The Basic Tier has been sliced and diced and no longer exists.**

- The FCC allowed the basic rate to be strip-mined.
- As of July 2025, the average prices for a 'Spectrum basic tier cable service' -  
- This service no longer exists.
- The choices available are \$40 to \$100. a month.
- Because of a blurring of lines, these services now have 'streaming packages' of different services.
- And these are not the premium services but ad-sponsored and worse, they will be leaving --yet the rate increases will remain.

IMPORTANT: As of this writing there appears to be a massive shift so that the cable TV networks are not highlighted, and that this new model is ripping apart the basic tier services. -- the removal of the cable act, then appears to be part of this industry plan -- but there are no ' , basic tier components at reasonable rates.

# IRREGULATORS

---

## **3) Junk Fees added to the Basic Tier is illegal and no audits exist.**

- What is truly an egregious act is that in none of these proceedings has the fact that the basic tier cable TV has been charged junk fees, made up fees, and they are on most if not all of the current services being sold by the Cable TV service.
- In NY, Spectrum is charging \$28.00 for the broadcast fee and \$3.50 for the Cost recovery charge.

These fees appear to be added to basic tier services.

- I.e., if basic tier cable TV service is now at \$40. a month and attached to it are charges of \$28. a month and \$3.50 a month and these are also taxed and surcharged a few dollars more adding 75+% more to the basic tier violates every law.

We want a full accounting. Then the FCC can't say that the basic rate is 'reasonable'.

- [\*\*Are The Made-Up, Hidden, Broadcast-Sports Fees You Pay Quintuple-Taxed with Other Made-Up Fees?\*\*](#)
- [\*\*Are The Made-Up, Hidden, Broadcast-Sports Fees You Pay Quintuple-Taxed with Other Made-Up Fees?\*\*](#)

Additional "Cost Recovery" and other made-up fees are spread throughout these bills.

- [\*\*IRREGULATORS Complaint to the FTC: Remove All Cost Recovery Junk Fees on 350 Million AT&T, Verizon and T-Mobile Wireless Connections, \\$15 Billion Annually- To Start\*\*](#)

Thus, the entire price of the lowest tier has been manipulated

## **4) The Social Contract added \$5.00 a month since 2000 for network and school upgrades-- which mostly never happened.**

- In 1995, the FCC created the Social Contract which allowed the cable companies to get an additional \$5 a month.
- The payments were temporary and were supposed to stop in the year 2000.
- \$115 billion has already been collected by 2025, an estimated
- This made-up additional fee has never been audited or removed. since 2000.



# IRREGULATORS

---

- This is a basic egregious act that was never dealt with that raised rates -- but this has been going on for 25 years.
- And it was never removed -- that's over \$1000 and growing for anyone with cable TV service. And it has never been audited and is not a separate line item.

**Here are some of the stories, reports and filings we filed to halt these added charges.**

- [Questions Every Time Warner and Comcast Franchise Area Should Ask Before a Merger Is Considered](#)
- The Social Contract was signed in 1995 to settle disagreements as the cable companies wanted to offer new services and wire the schools but wanted rate increases, above and beyond normal rate increases.
- [Cable's Social Contract on America and Other Cable Scandals: But Who's Counting?](#)
- Shouldn't we get to choose who offers us Internet or broadband or cable programming services over the wires we've helped to upgrade? And if there's no serious competition, shouldn't the cable companies' prices for cable services be regulated again?
- [Communications Bills: Examining the Time Warner Triple Play](#) Testimony: New York State PSC Hearing on the Time Warner
- [Verizon Wired, Wireless, Comcast and Time Warner Collusive Ties](#)
- [Consumer Protection action against Time Warner in New York.](#)
- [Special Report: The Time Warner, Comcast Social Contract](#)
- [The Time Warner and Comcast Social Contract](#)

## **5) Cable TV USOA and State Financials shows massive cross-subsidies.**

- The Evidence of serious cross-subsidies of the Comcast Cable TV franchise and other lines of business that appear to have been able to create obscene profit margins by not paying market prices for the use of the networks.
- We uncovered the last unredacted financial report we could find is the Comcast TV NY cable franchise annual report which shows that the 'affiliated subsidiaries' that offer Voice service (VOIP) or streaming "(Data services)
- The Comcast Cable TV Annual Report for NY was redacted starting in 2011,
- it is clear that it represents that these other subsidiaries failed to pay for the use of the cable infrastructure or services, probably billing and collections. -- and network upgrades.
- All of these actions would be illegal based on the original intent of the cable Act.

# IRREGULATORS

INSTRUCTIONS			
(1) Itemize by major group or categories, the amounts shown on Line 3 and/or Line 7 in the space below.			
Other Operating Revenue:	<b>2012</b>	<b>2011</b>	
Data	11,648,131	11,176,711	
Voice	8,089,116	7,676,592	
Total Other Operating Revenue	\$ 19,737,247	18,853,304	\$
Other Operating Expense			
Data	8,125,065	805,274	
Voice	185,912	1,046,034	
Total Other Operating Expense	\$ 8,310,977	1,851,308	

- **Bottom-line -- The Voice and Data Services are being illegally cross-subsidized, and the FCC failed to examine this issue.**
- This financial report shows that the voice and data services have obscene profits of 70-90% profit margin.
- Meanwhile, the cable TV services have a fraction of that, but it is still a healthy return.
- The profit margins can only be created because the cable TV service customers are being forced to fund these other lines of business -- and it would appear that the basic tier-- and all other tiers have been illegally used to fund these other lines of business -- violating the intent of the Cable Act.
- Had the other subsidiaries paid market prices to use the critical wired cable infrastructure, then the price for cable TV should have been in steep decline.
- [The Cable Con; Prices are Unjust and Unreasonable on All Services: Full Rate Cases and Investigations Need to Start Now.](#)

The IRREGULATORS will be filing to obtain copies of all of the Comcast, Spectrum-Charter, AT&T, Verizon and Cox Cable TV Annual Reports and the full accounting of the subsidiaries. -- Before the FCC is allowed to remove the cable TV regulations

**6) The FCC needs to stop telling America prices went down or that there is competition in America.**

Prove it: Show America the actual bills with the actual price paid and show us how you can claim prices went down.

The [FCC's Brendan Carr](#), when he was a commissioner, issued the following statement:

“New Data Confirm What Americans Already Know: The Internet Is Not Broken and President Biden’s Plan for Government Control Won’t “Fix It”

# IRREGULATORS

---

The Biden Administration’s Plan Is Nothing More Than a Government Power Grab. | April 19, 2024.”

And what America ‘knows’ and the ‘reality’ of Carr, you can hear the peanut gallery, some laughing and some just shaking their head because none of these claims are based on real fact or the truth.

(We include this quote to demonstrate that Brendan Carr is NOT doing a power grab - right?)

Carr writes:

... “The reality? Broadband speeds increased, prices decreased, competition intensified, and years of record-breaking infrastructure builds brought millions across the digital divide.

“Here is the latest data: Prices Are Down:

“In real terms, the prices for Internet services have dropped by about 9% since the beginning of 2018, according to BLS CPI data.

“On the mobile broadband side alone, real prices have dropped by roughly 18% since 2017, according to BLS and industry data.

Note: This was written in 2024, thus, 9% over a 7-year period or 18% over an 8% period shows market variations, not serious competition.

“And for the most popular broadband speed tiers, real prices are down 54%, and for the fastest broadband speed tiers, prices are down 55%, over the past 8 years, according to BLS and industry data.”

NOTE: The prices did not go down. Carr’s argument is that the company increased the speed and the number of ‘services. Carr never adds the junk fees, increases to taxes or the actual increases to the price.

Thus, while a customer may get more channels, they may never watch them or they did not order them, so these additions could have increased the actual price paid by the customer as shown on the bill, which Carr never acknowledges.

In his dissenting view of the Net Neutrality decision of April 2024, Carr wrote [“DISSENTING STATEMENT OF COMMISSIONER BRENDAN CARR](#)

Re: Safeguarding and Securing the Open Internet, Declaratory Ruling, Order, Report and Order, and Order on Reconsideration, WC Docket Nos. 23–320, 17–108 (Apr. 25, 2024)

# IRREGULATORS

---

“And today’s Order is not about correcting a market failure. Broadband access is more vibrant and competitive than ever, no matter how you slice the reams of data. Americans benefited from lower prices, faster speeds, broader and deeper coverage, increased competition, and accelerated Internet builds.”

**SUMMARY:** [This is a list of what we examined over the last 10 separate stories.](#) The list is followed with a longer discussion and charts, and there is a link to the full story as well.

- **AT&T wireless plans** all went up, year after year.
- **Verizon wireless plans** all went up year after year. Verizon told investors it had 4 major “Rate-Ups” in 2024
- **Harvesting:** Wireline residential and business all went up. AT&T CA, which is the state telecommunications public utility has been “harvesting” wireline customers with continuous rate increases, and this has been happening over the last decade in virtually every state.
- **Rate increases on small businesses and Ramming:** Verizon NJ, also a state public telecommunications utility, had state laws changed to use the extra money that was intended for building out fiber to the homes, and instead all of there have been continuous rate increases, even on small businesses.
- **RAMMING:** Audits of bills showed that many customers were put on a package called Custopak without their permission.
- **Cable TV and Triple Play — Prices.** The US average was \$220 a month in 2021.
- **Overseas Broadband and Triple Play —** Price of a triple play overseas averaged \$35-\$45 a month.
- **US Wireless vs Overseas:** In France, Free Telecom offers a wireless service is only about \$20 bucks, and it comes with 350 gigs.
  - In NYC, **Spectrum has a wireless plan where it costs \$14.00 per GB**, not counting the taxes, fees and surcharges — and the total is about \$17–20 bucks. 1 GIG — \$14. (without tax) vs 350 gigs also for about \$20. bucks.
- **Data Caps and Lack of Competition Report — Comments filed at FCC —** There is no serious competition in the US for wireless as there are only 3 primary

# IRREGULATORS

---

carriers, AT&T, Verizon and T-Mobile, All of the other wireless providers are resellers. And all of the companies have data caps to block heavy usage of the networks.

- **Junk Fees Analysis and Reports and Complaint Filed.** The “Cost Recovery” fee is based on an estimated 350 million bills, and it is made up of charges that are either being already billed to just plain made-up.