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June 27, 2024

Via Federal Express

Luly E. Massaro, Commission Clerk
Rhode Island Division of Public Utilities and Carriers 89 Jefferson Boulevard
Warwick, RI 02888

**Re: Docket No. D-22-11 -- Rhode Island PBS Foundation Reconciliation Filing
Public, Education and Government Access Fees**

Dear Ms. Massaro:

On behalf of Rhode Island PBS Foundation (“RI PBS”), enclosed please find RI PBS’s reconciliation filing in the above-referenced docket, relating to the Public, Education, and Government (“PEG”) Access Fees charged to subscribers for Calendar Year 2023 and Fiscal Year 2025, as well as a list of inputs used to calculate these amounts.

The reconciliation filing incorporates the formulas approved in the Division of Public Utilities and Carriers (“Division”) September 1, 2022 order regarding RI PBS’s Petition to Adjust PEG Access Fees, Docket No. D-22-11. Using the approved formulas and applying \$494,626 of the remaining settlement funds¹ to offset the PEG Access Fee revenue shortfalls, RI PBS calculates that there will be no PEG Access Fee adjustments for FY 2025.

Although RIPBS has been able to use the settlement funds to hold PEG Access Fees steady through this filing, if subscribership continues to decline at the same rate, then RIPBS anticipates that it may need to seek an increase in next year’s compliance filing. RIPBS further notes that, although subscriber numbers continue to dwindle, the usage of PEG facilities has remained consistent – making it unlikely that RIPBS can make further reductions in PEG expenses. Given

¹ On August 9, 2023, RI PBS entered into a Settlement Agreement with CoxCom Inc. d/b/a Cox Communications New England (“Cox”) to resolve a dispute relating to Cox’s failure to remit PEG Access Fees collected from its commercial subscribers since at least 2011. Pursuant to the Settlement Agreement, Cox paid RI PBS \$1,179,755.00, which represents the value of the outstanding PEG Access Fees plus interest at the rate of 8.25%. So far, RI PBS has used the funds to (a) recoup losses that resulted from the payment of PEG expenses from RI PBS’s general operating revenues in the years during which Cox failed to pay those amounts due from its commercial subscribers, (b) establish a separate supplemental PEG Access Fee account on RI PBS’s books with the remainder of the funds to be used to supplemental annual PEG Access Fee revenue, to the extent necessary; and (c) offset PEG Access Fee revenue shortfalls from Calendar Year 2023. RI PBS intends to continue using the remaining settlement funds to offset future PEG Access Fee revenue shortfalls to the extent necessary. A copy of the Settlement Agreement was filed with the Division on September 14, 2023 in Docket No. D-22-11 as Exhibit A to RI PBS’s Motion to Withdraw.



these circumstances, RIPBS would like to begin a dialogue with the Division about potential legal and regulatory changes to more equitably recover PEG Access Fees.

Thank you for your attention to this matter. Please do not hesitate to contact me should you have any questions.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Adam M. Ramos", written over a horizontal line.

Adam M. Ramos

Enclosure

Attachment A:

Inputs for CY 2023 Reconciliation Formula and FY 2025 Fee Adjustment Formula

Inputs for Reconciliation Formula	
CY 2023 (January 1, 2023 – December 31, 2023)	
CY 2023 Actual Expenses	\$1,571,677
CY 2023 Actual PEG Access Fee Revenues collected from subscribers	\$1,331,904
CY 2023 Actual Settlement Funds used to supplement PEG Access Fee Revenues collected from subscribers	\$150,000
CY 2023 Total Actual PEG Access Fee Revenues	\$1,481,904
CY 2023 Actual PEG Access Fee Revenue Shortfall	\$89,773
FY 2025 (July 1, 2024 – June 30, 2025)	
FY 2025 Projected Expenses	\$1,475,008
FY 2025 Projected PEG Access Fee Revenues	\$1,070,155
FY 2025 Est. No. Subscribers on 3/31/2023	165,147
FY 2025 Reconciled Projected Monthly PEG Access Fee Increase per Subscriber	\$0.249
Settlement Adjustment	
Settlement Funds available as of June 6, 2024	\$633,252
Settlement Funds applied to FY 2025 Reconciled Projected PEG Access Fee Revenue Shortfall	\$494,262
FY 2025 Settlement Adjusted Reconciled Projected Monthly PEG Access Fee Increase per Subscriber	\$0.000

Attachment B:

Reconciliation Formulas

RECONCILIATION FORMULA

STEP 1: Total Actual PEG Fee Revenues - Actual Expenses = *Actual PEG Access Fee Revenue Shortfall/Surplus*

STEP 2: Projected PEG Fee Revenues - Projected Expenses + Actual PEG Fee Revenue Shortfall/Surplus prior FY = *Reconciled Annual PEG Access Fee Revenue*

STEP 3: $\frac{\text{Reconciled Annual PEG Fee Revenue}}{\text{Est. \# of Subscribers as of 3/31 next FY}} = \text{Reconciled Projected Annual PEG Fee Adjustment per Subscriber}$

STEP 4: $\frac{\text{Reconciled Projected Annual PEG Fee Adjustment per Subscriber}}{12 \text{ months}} = \text{Reconciled Projected Monthly PEG Fee Adjustment per Subscriber}$

CY 2023 / FY 2025 Reconciliation Formula:

CY 2023 Actuals (Jan 1, 2023 – Dec 31, 2023)

CY 2023 Actual Expenses:	\$1,571,677
CY 2023 Actual PEG Access Fee Revenues	\$1,331,904
CY 2023 Actual Settlement Funds applied	\$ 150,000
CY 2023 Total Actual PEG Access Fee Revenues:	\$1,481,904

FY 2025 Projections (July 1, 2024– June 30, 2025)

FY 2025 Projected Expenses:	\$1,475,008
FY 2025 Projected PEG Fee Revenues:	\$1,070,155
FY 2025 Est. No. Subscribers on 3/31/2024:	165,147

STEP 1: \$1,481,904 - \$1,571,677 = (\$89,773) CY 2023 Actual PEG Access Fee Revenue Shortfall

STEP 2: [\$1,070,155 - \$1,475,008] + (\$89,773) = (\$494,626) FY 2025 Reconciled Projected Annual PEG Fee Revenue Shortfall

STEP 3: $\frac{(\$494,626)}{165,147} = \2.995 Reconciled Projected Annual PEG Fee Increase per Subscriber

STEP 4: $\frac{\$2.995}{12 \text{ months}} = \0.249 FY 2025 Reconciled Projected Monthly PEG Fee Increase Per Subscriber

SETTLEMENT ADJUSTMENT FORMULA

FY 2025 Available Settlement Funds: \$633,252
FY 2025 Settlement Funds to be applied: \$494,626

STEP 5: Annual Settlement Adjusted PEG Fee Increase Per Subscriber

Settlement Funds available Reconciled Projected Annual *Annual Settlement Adjusted PEG*
----- - PEG Fee Increase per Subscriber = *Access Fee Increase Per Subscriber*
Est. # of Subscribers [From Step 3]

STEP 6: Monthly Settlement Adjusted PEG Fee Increase Per Subscriber
(only if results of Step 5 > \$0.000)

Annual Settlement Adjusted
PEG Access Fee Increase Per Subscriber
----- = *FY 2025 Settlement Adjusted Reconciled Projected*
12 months *Monthly PEG Access Fee Adjustment Per Subscriber*

FY 2025 Settlement Adjusted Reconciled Projected
PEG Access Fee Increase Per Subscriber

STEP 5:

\$494,626
----- - \$2.995 = **\$0.000** FY 2025 Annual Settlement Adjusted PEG Access
165,147 Fee Increase Per Subscriber

STEP 6: N/A