



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

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Memorandum

To: Rhode Island Division of Public Utilities and Carriers

From: Advocacy Section of the Rhode Island Division of Public Utilities and Carriers
Terrence Mercer, Associate Administrator

Date: June 10, 2026

Re: Docket D-22-11 Petition of Rhode Island PBS Foundation for Approval of Adjustment of PEG Access Fee

On March 31, 2026, the Rhode Island PBS Foundation ("RIPBS") filed with the Division of Public Utilities and Carriers ("Division") an annual reconciliation filing regarding Public, Education and Government ("PEG") Access fees. Utilizing an approved fee-setting formula that considers Calendar Year 2025 expenses to inform Fiscal Year 2027 projections, RIPBS is proposing an increase of \$0.31 per month, bringing the total monthly fee to a proposed \$1.06 commencing in FY 2027 beginning July 1, 2026.

The central issue before the Division in the pending filing is whether the proposed PEG Access fee increase is properly calculated. Soon after the instant filing was received, the Division's CATV Section requested that the agency's Rate Department to undertake a review of the proposal. The Rate Department concluded that the \$.31 adjustment has been properly calculated for a total monthly PEG Access fee of \$1.06 per customer per month.

That \$0.31 increase is significantly larger than the previous \$0.195 increase approved last year at this time. I will note, however, that last year's adjustment was calculated using the last remnants of \$1,179,755 provided by Cox Communications under a 2024 settlement agreement for under-remittance of PEG fees (and interest) in previous years. That overall sum was utilized to avoid PEG fee increases in FY 2024 and FY 2025, and the remaining \$254,876 was utilized to keep the FY 2026 increase at the \$.1905 level. The availability of those settlement agreement funds

effectively insulated ratepayers from larger increases for three (3) consecutive years. Those funds have been exhausted resulting in the current proposed monthly increase of \$.31.

The depletion of the settlement agreement funds, coupled with the continued national trend of cable subscriber reductions and alternative technologies that are now available to produce video programming, raises concerns about whether cable subscribers should continue to be required to absorb annual adjustments of a similar magnitude to that proposed for FY 2027. Accordingly, the Cable Section of the Division has initiated a dialog with RIPBS to assess whether the further reorganization of Rhode Island's PEG Studios might benefit Rhode Island cable subscribers to mitigate such sizeable adjustments in the future. Upon the conclusion of those discussions, the Cable Section may request the Division to open a docket to effectuate further studio consolidation.