local tolling orders of varying durations which can complicate implementation of uniform BST rates. After the initial 30 day notice period that must precede any rate adjustment, franchising authorities can toll the effective date of a proposed rate for an additional 90 days in benchmark cases or 150 days in cost of service cases. We seek suggestions of procedures that would permit a cable operator in this situation to establish uniform rates as expeditiously as possible. We solicit comment on allowing proposed uniform rates to take effect automatically after some period of time, subject to ultimate resolution in a later "truing-up" process, in which rate discrepancies could be reflected in rates for the following year.

23. In proposing to give cable operators flexibility to charge uniform rates for uniform services, we in no way seek to circumscribe the authority of local franchising authorities to negotiate franchise-specific terms in their agreements with cable operators. For example, we note that local franchising authorities typically establish requirements in a franchise agreement with respect to the designation or use of the franchised cable operator's channel capacity of PEG services. This could result in a cable system having a nonuniform channel line-up within franchise areas where it seeks to establish uniform rates. We seek comment on whether our uniform rate proposals require any modification or adjustment to accommodate such nonuniform offerings.

A further problem may arise because PEG requirements and other franchise obligations will vary between franchise areas, such that the operator's "franchise related costs," one of the variables used to establish and adjust rates, also will vary among franchise areas. We seek to provide cable operators with uniform rate alternatives while allowing franchising authorities flexibility to negotiate franchise terms and conditions that respond to particular community needs. We also seek to ensure that the uniform rate proposal does not allow franchisespecific costs to be shifted from one community to another. One alternative for resolving this issue would be to permit the cable operator simply to itemize and charge for franchise-related costs outside the uniform rate-setting formula. We seek comment on this approach. We also seek suggestions of other methods that could compensate operators for legitimately incurred expenses while protecting subscribers from unreasonable rates. Finally, we seek comment on additional potential obstacles to the establishment of

uniform rates and service offerings, and possible resolutions to such obstacles.

IV. Initial Regulatory Flexibility Act Analysis

25. Pursuant to Section 603 of the Regulatory Flexibility Act, the Commission has prepared the following initial regulatory flexibility analysis ("IRFA") of the expected impact of these proposed policies and rules on small entities. Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines as comments on the rest of the NPRM, but they must have a separate and distinct heading designating them as responses to the regulatory flexibility analysis. The Secretary shall cause a copy of the NPRM, including the initial regulatory flexibility analysis, to be sent to the Chief Counsel for Advocacy of the Small Business Administration in accordance with Section 603(a) of the Regulatory Flexibility Act, Pub. L. No. 96-354, 94 Stat. 1164, 5 U.S.C. 601 et seq. (1981).

26. Reason for Action. The Commission has perceived that our cable service rate regulations may impede a cable operator's ability to establish uniform rates for uniform services offered in multiple clustered franchise areas. We believe that allowing operators to set such uniform rates may facilitate operators' regional marketing of services, reduce administrative burdens on both regulators and cable companies, and reduce consumer confusion resulting from disparate rates. The NPRM proposes two possible alternatives for setting uniform rates, and solicits comments on further approaches.

27. Objectives. To explore a method under which a cable operator could establish uniform rates for uniform services offered in multiple franchise areas.

28. Legal Basis. Action as proposed for this rulemaking is contained in Section 623 of the Communications Act of 1934, as amended, 47 U.S.C. § 543.

29. Description, Potential Impact and Number of Small Entities Affected. The proposals, if adopted, will not have a significant effect on a substantial number of small entities.

30. Reporting, Recordkeeping and Other Compliance Requirements. None.

31. Federal Rules which Overlap, duplicate or Conflict with these Rules. None.

32. Any Significant Alternatives Minimizing Impact on Small Entities and Consistent with Stated Objectives. None.

V. Paperwork Reduction Act

33. This NPRM contains either a proposed or modified information collection. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collections contained in this NPRM, as required by the Paperwork Reduction Act of 1995, Pub. L. No. 104–13. Public and agency comments are due to the same time as other comments on this NPRM; OMB comments are due 60 days from date of publication of this NPRM in the Federal Register. Comments should address: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility: (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

VI. Procedural Provisions

34. Ex parte Rules—Non-Restricted Proceeding. This is a non-restricted notice and comment rulemaking proceeding. Ex parte presentations are permitted, except during the Sunshine Agenda period, provided that they are disclosed as provided in Commission's rules. See generally 47 CFR §§ 1.1202, 1.1203, and 1.1206(a).

35. To file formally in this proceeding, you must file an original plus four copies of all comments, reply comments, and supporting comments. If you want each Commissioner to receive a personal copy of your comments and reply comments, you must file an original plus nine copies. Comments are due by January 12, 1996, and reply comments are due by February 12, 1996. You should send comments and reply comments to Office of the Secretary, Federal Communications Commission, 1919 M Street NW., Washington, DC 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center, Room 239, Federal Communications Commission, 1919 M Street NW., Washington, DC 20554.

36. In addition to filing comments with the Secretary, a copy of any comments on the information collections contained herein should be submitted to Dorothy Conway, Federal