

# Cable Television Advisory Committee

## Meeting Minutes

01/06/2021

*Approved 01/27/21*

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To attend via phone:

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### 1. Call meeting to order

6:00pm

### 2. Roll Call

Present: Stephen Quist, Jeffrey Levering, Sergio Bacelis; Judith Warren (Director, Cable Services); Mari Dicardy joined late.

### 3. Approval of minutes from 12/2/2020

Moved: Quist; Seconded: Levering; Roll Call (3 Yes, 0 No)

### 4. Public Comment pertaining to items on the agenda

Mauro Depasquale (Worcester): Commented in support of Levering's report regarding the work and role of CTAC. Discussed the previous contract negotiation process, and expressed willingness on behalf of WCCA to provide input throughout the renewal process as needed.

### 5. Ascertainment

#### a. Spectrum Contract Review Notes by Mr. Levering (handout)

Levering: Reviewed contents of current contract including term length, exclusivity, and specific obligations for current cable provider.

Warren: Explained that results from Charter-Spectrum have been requested and that additional questions may be submitted. Also specified that representatives from Charter-Spectrum may be invited to attend CTAC meetings.

Motion by Quist: Notify Charter-Spectrum to initiate customer satisfaction survey to cable subscribers. Seconded: Bacelis; Roll Call (3 Yes, 0 No)

Public Comment - Mauro Depasquale: Commented on digital/HD channel requirements for PEG, and access to a 4th shared PEG channel regarding lack of follow-through by Charter-Spectrum. Also commented that there are other contract stipulations that are not being met by Charter-Spectrum currently.

Levering: Proposed bringing concerns about contract compliance forward to the Law Dept.

**b. Timeline – Plan of Action**

**c. Legal questions**

**6. Next Meeting**

Scheduled for January 27, 6:00pm

Following meeting tentatively scheduled for February 3, 6:00pm

**7. Adjournment**

7:00pm

Moved: Quist; Seconded: Levering; Roll Call (3 Yes, 0 No)

# **Spectrum Contract and Ascertainment Report Review**

**Jeff Levering, CAC Member, December 7, 2020**

<sup>1</sup>  
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# Sections

- Document Purpose
- How to use the “Contract Review”
- Contract Review
- 2013 CAC Report and Contract Impact
- Discussion and Next Steps

# Document Purpose

- This is a business review, not a legal review, of the
  1. Contract as agreed to between Worcester and Spectrum in October, 2013
  2. Ascertainment Report from the 2013 CAC, to see what parts of the recommendations made actually were included in the Contract
- This document's purpose is to assist the Cable Advisory Committee (or "CAC") in determining what aspects of the current Cable Services provided, and contractually agreed to, by Spectrum should be considered for review and evaluation during the upcoming Ascertainment Period.
- Members should treat this as a "working draft" in that it can and should be changed as needed during upcoming discussion.

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# How to use the “Contract Review” <sup>4</sup>

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## How to Use the “Contract Review” - 1 of 2

For Example, “Cable Services” is defined in “1.4”

Spectrum and  
Worcester 2013  
Contract  
Is made up of a series of...

Articles  
Sections  
Subsections  
Article “1”, defines

words in the contract:

ARTICLE 1  
DEFINITIONS

Section “4”, defines the

contract term “Cable Services”:

(4) “Cable Service(s)”: means facilitating the delivery to subscribers of multiple channels of Video Programming regardless of the technology used to provide it, as such term is defined in Title VI of the Federal Communications Act of 1934, including but not limited to the following:

Articles start with a capital letter (A, B, C...)

Sections start with a number (1, 2, 3...)

Subsections start with a lower case letter (a, b, c...) 5

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## How to Use the “Contract Review” - 2 of 2

- This document (hopefully) simplifies what is in the contract. It may not be complete. Feel free to come to our next meeting to add or change which parts of the contract you feel should be evaluated by this Committee.
- Suggest you read the contract at the same time as looking at the summary provided here.
- Note: The 2013 CAC’s “Ascertainment Report” evaluation follows as well. This attempts to identify which of the recommendations made by the 2013 CAC’s report actually made it into the Contract.

- Suggest a separate meeting be held to review the Ascertainment Report in detail.

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## **Contract Review**



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# Contract Review

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- “Cable Service” is specifically “video programming” (not internet or phone service) (1.4)
- “Cable Service” does not include “Telecommunications” (phone, 1.44) or

“Information Service” (not Defined) (1.4.b)

- Revenue to Charter is defined as “Gross Annual Revenue” (1.17), “Subscriber Revenue” (1.41), “Service Related Activity” (1.37), etc.
- The contract is a “Grant of License” to build, install and operate a cable system (2.1a&b)

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# Contract Review

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- The contract is for a “term” or period of ten years (2.1.c)
- If another cable provider is authorized by Worcester, Spectrum may seek to modify this contract on similar terms. Lacking that, Spectrum may take the

matter to court. (2.3.b)

- Spectrum should have provided, upon execution of the current agreement, a “description” of how the cable system will meet current and future needs. (3.1)
- Spectrum should provide service to areas with “at least seven (7) dwelling units per on froth (1/4 cable mile...” There’s a (x) map that should show the current coverage
- “All Standard Subscriber (customer) installations, reconnects, service upgrades or downgrades shall be performed within seven (7) working days...” (3.3.b)

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# Contract Review

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- Cable system shall be capable of connecting to other Cable Systems outside of Worcester (3.4.a). Connection to other systems may be at a cost (3.4.b)

- Article 4 deals with installations, rights of way, etc. (Should the CAC evaluate a portion of Spectrum’s performance as part of Ascertainment?)
- Surveys should be conducted, if requested by Worcester, “on or about the fifth and eight anniversary” of the contract. Goal is to survey cable customers about their satisfaction with the cable services. (5.2)
- Spectrum should provide no-cost connections to public buildings (5.3)
- Spectrum intends to provide local news consistent with what it has previously, and may at its own discretion expand that programming (5.5.a)

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# Contract Review

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- Only one digital channel for Worcester’s use will be included (5.5.c)

- Three PEG channels will be made available (6.1.a), one each “for public access, educational access and government access.”
- 6.1.a describes PEG access channels; does the CAC’s Ascertainment process confirm the effectiveness or adequacy of these?
- Funding (6.2)
  - For PEG Access equipment and facility \$900K in January, 2014 and \$600K in October, 2018
  - These payments may be passed on to Subscribers? (6.2.d) Are they?
  - Spectrum will “provide one full-time employee to assist with production of access programming.” (6.6.c)

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# Contract Review

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- Spectrum will pay an annual License fee on a per subscriber basis (7.1)

- Spectrum will also pay an annual Franchise fee of 5% of Gross Annual Revenues (7.2.c)
- “Gross Annual Revenue” is specifically related to “Cable Services” (1.5.17), or as noted on Page 1 of this document, video programming (only)
  - Should the CAC review these revenues to understand the trend, and timeliness, in city revenue related to this contract?
  - Also see Exhibit 5

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# **Contract Review**

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- Spectrum has an obligation to notify the city, and Subscribers, of any rate changes 30 days in advance of any change (8.2)
    - Spectrum is required to provide a “pro rata credit or rebate” if the “entire Cable Service is interrupted for twenty-four (24) or more consecutive hours...” (8.4.a)
  - Spectrum offers discounts for Senior or Handicapped citizens
- 8.5. • Should the CAC review these during its Ascertainment Period?

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- Spectrum has an obligation to report to the City various materials:
  - Copies of regulatory filings that may impact the Cable System (9.2)
  - Annual report including schedule of charges, complaints, etc. no later than April 1 (9.3.a)
  - Cable Television Division forms 200 and 400 annually (9.3.b) - Etc.
- Should the CAC review these during its Ascertainment Period? Note “Regulatory Oversight” in Ascertainment Report, page 6.

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# Contract Review



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- Article 10 covers Consumer Protections, should the CAC include this in its Ascertainment review?

- All other articles, should any of these similarly be reviewed? <sup>15</sup>

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# 2013 CAC Report and Contract Impact <sup>16</sup>

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[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	Article 3.4.b talks about the City being able to negotiate for interconnection to other cable systems, but at a cost which may be passed down to Subscribers. Said differently, there is no "county wide" channel?
[REDACTED]	Partially paid 3 months after signing, remainder 5 years after signing. Raised from \$100k to \$1.5m. Separate from the franchise fee, and appears to be paid by Subscribers through reimbursement to Spectrum (6.2)?
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	Annual reports required, not sure if that matches intent of 2013 Recommendations



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# **Discussion and Next Steps** <sup>19</sup>