

Cable Television Franchise Renewal

**Presentation to Member Cities of the
Northern Dakota County Cable Communications Commission**

January 8, 2019

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Background

Commission's Member Cities each granted a cable franchise to Comcast (formerly Mediaone of St. Paul, Inc.)

- April 2000
- 15 year term
- Expired April 2015

Comcast requested renewal from the Member Cities

- Summer of 2012

Needs Assessment Process

Commission conducted detailed needs assessment in 2013-14

- Reviewed Comcast's performance under the 2000 franchise
- Identified cable-related needs and interests of
 - Member Cities
 - Commission

Unforeseen Delays in Renewal Process

June 2014

- Comcast requested transfer of the cable system to a new entity

February 2015

- CenturyLink requested a competitive cable franchise
- Commission processed CenturyLink's request

April 2015

- Comcast withdrew its transfer request

March 2016

- Member Cities each granted a competitive cable franchise to CenturyLink

Existing Franchise Extensions

Member Cities have granted multiple extensions of Comcast's existing franchise term

1. April 2015 through March 31, 2016
2. April 2016 through March 31, 2017
3. April 2017 through December 31, 2017
4. January 1, 2018 through July 31, 2018 and
5. August 1, 2018 through March 31, 2019

Status of “Informal” Renewal Negotiations

Commission and Comcast have been unable to reach agreement on several key issues in Informal renewal

- **February 2018** the Commission directed staff to begin preparing “formal” renewal documents required under the Cable Act
- Commission prepared a Needs Report which includes:
 - Formal Needs Assessment Report
 - Request for Formal Renewal Proposal
 - Model Cable Television Franchise Ordinance
- **April 4, 2018** - Full Commission approved the Needs Report

Comcast Formal Proposal

July 16, 2018 - Comcast's response to the Needs Report due

June 28, 2018 – Comcast requested an additional 30 days to provide its response

June 29, 2018 – Commission granted Comcast's request

- New deadline for Comcast: August 15, 2018

August 15, 2018 - Comcast submitted its Formal Proposal to the Commission in response to the Needs Report

Cable Act

Cable Act specifically requires franchising authority to:

1. renew the franchise, or
2. issue a preliminary assessment that the franchise should not be renewed.

- 47 U.S.C. 546(c)(1)

Commission had four (4) months from August 15th to accept or deny Comcast's formal renewal proposal

- Deadline for Commission action: December 15, 2018

Letter of Understanding

Commission and Comcast reached agreement on authority of Commission under Joint Powers Agreement (JPA) regarding certain aspects of the franchise renewal process

- Letter of Understanding
 - Commission and Comcast agreed that the Commission has the authority to recommend approval or preliminary denial of Comcast's formal proposal

Letter of Understanding

Each Member City to consider and act upon the Commission's recommendation at a City Council meeting

- Prior to March 15, 2019
 - New deadline for action required by Cable Act
 - 47 U.S.C. 546(c)(1)

If one or more Member Cities deny Comcast's Formal Proposal

- Commission will administer any requested administrative proceeding jointly, in accordance with the Cable Act

Commission Recommendation

December 12, 2018 Commission adopted Resolution No. 12-12-2018

- *“Recommendation Regarding Preliminary Assessment that the Comcast Formal Proposal for Franchise Renewal be Denied”*

Commission Recommendation

Commission staff reviewed Comcast's Formal Proposal

- Determined a number of areas where it fails to meet the future cable-related community needs and interests addressed in the Commission's Needs Report
 - Specific reasons found in Exhibit A, Attachment 1 to Commission's Resolution 12-12-2018

Conduct of an Administrative Hearing – if necessary

- Resolution 12-12-2018 describes the rules for the Hearing
 - Found in Exhibit B, Attachment 1 to Commission's resolution

Member City Options

Each Member City has two options:

1. Adopt the proposed Resolution which will serve as a preliminary assessment that the franchise should not be renewed; or
2. Make a motion to recommend approval of Comcast's Formal Proposal and the Comcast Model Franchise.

Questions?

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