**Before the**

**Federal Communications Commission**

**Washington, D.C. 20554**

In the Matter of )

)

Implementation of Section 621(a)(1) of the Cable ) MB Docket No. 05-311

Communications Policy Act of 1984 as Amended )

by the Cable Television Consumer Protection and )

Competition Act of 1992 )

**COMMENTS OF THE CENTRE AREA CABLE CONSORTIUM**

The Centre Area Cable Consortium (CACC), a consortium representing the following Pennsylvania municipalities: State College and Bellefonte Boroughs, Benner, College, Ferguson, Halfmoon Harris and Patton Townships, appreciates the opportunity to file comments on the Second Further Notice of Proposed Rulemaking (“FNPRM”) in the above-referenced docket. We strongly oppose the tentative conclusions in the FNPRM that cable-related in-kind contributions are franchise frees and that local governments have no authority regarding cable operators’ use of the rights of way to provide non cable services.

The CACC is located in Centre County, Pennsylvania, and is comprised of the 8 municipalities that are located adjacent to Penn State University. It encompasses a population base of over 100,000 people. The CACC is currently served by two cable providers - Comcast serves all 8 municipalities; additionally Windstream provides service in State College Borough, College and Ferguson Townships. Each member of the CACC individually holds a franchise with Comcast. The franchise agreement is jointly negotiated, so the cable provider is following one set of rules across the entire area. The municipalities served by Windstream also hold franchise agreements with that provider.

The CACC is served by one EG provider, C-Net. C-Net is a local 501 (c ) 3 non profit organization that operates two channels on the Comcast and Windstream Cable systems, as well as online at cnet1.org. The channel broadcasts governmental meetings, school board meetings and special events. C-Net is a membership based organization, that is supported through member’s franchise fees. C-Net also receives capital funding from both cable providers through our franchise agreements. The organization is run by a board of directors, employs full and part time staff and has a strategic plan that is used to direct the growth of its operation. Because of C-Net, our residents enjoy a level of governmental transparency that is missing in other areas of the country.

The CACC is opposed to the proposed rulemaking that allows negotiated franchise obligations between cable companies and municipalities related to PEG channels to be deducted from franchise fees. The funding for C-Net is largely derived from franchise fees that are paid by cable companies in exchange for the right to use public rights of way. In the current cable franchise, adopted in 2008, it was agreed by Comcast and the CACC that in-kind services, which provide free cable service to public schools, volunteer fire companies and municipal buildings, are not franchise fees and are instead a public service of the cable company.

The CACC further receives remote origination points through the cable franchise, which enables C-Net to live broadcast municipal and school district board meetings. This enables residents to watch their government in action in real time, rather than distilled through the lens of local media outlets. Local residents are engaged and informed because of this service.

The CACC believes that assigning a fair market value to these services and reducing franchise fees will erode the level of support each municipality is able to provide to C-Net. Each governing body is asked to do more with less each year, while at the same time being mindful of the affect these requests have on municipal franchises and budgets. Raiding franchise fees will serve no other purpose other than to further stress municipal resources and shift the burden to tax payers, rather than rate payers.

The CACC tries to be mindful of the impact its regulations will have on the cable company during each franchise negotiation. The CACC strives to work cooperatively with its cable providers and to not ask broadly for items just because it has the authority to do so. To that end, the CACC asks that the FCC not broadly apply the franchise fee definition to items such as public services to buildings and remote origination points. Instead, the CACC asks that the FCC continue to allow this issue to be addressed locally by each jurisdiction and its cable provider.

Though all located within the same county, the CACC is diverse in population size and community needs. It has historic villages and towns, a University community and rural areas. Taking a one size fits all approach to cable regulations will have unwanted affects on all of its members. It should be under the purview of each governing body to set fees for the use of its rights of way, to determine where facilities can be sited and to have the final say on what is in the best interest of its community. Stripping local governments of this ability will do nothing more than to threaten the unique character of each our communities.

The CACC urges the FCC to carefully consider the comments received on the proposed rules. Local governments are the lowest form of government, making us the government that is the most accessible to our residents. Stripping away the ability of local government to regulate cable issues will serve no public good and will further serve as an impediment to transparent government. The CACC asks that you please preserve the local right to decide what is in the best interest of our communities.

Respectfully submitted,

[SIGNATURE]

[NAME]

[TITLE/ADDRESS]

[DATE]