

APPENDIX B**SUMMARY OF RULES PROPOSED BY AT&T**

STREAMLINED APPLICATION PROCESS FOR EXISTING FRANCHISEES: Entities that already operate a physical network franchised to provide telecommunications service or other utility services within the jurisdiction of a franchising authority shall qualify for streamlined cable television franchise procedures that include a short-form application. The denial of a qualifying short-form franchise application, or the imposition of any condition restricting the timetable or geographic scope of the cable service to be provided by the applicant within the franchise area, shall constitute an unreasonable refusal to award an additional competitive franchise under 47 U.S.C. § 541(a). If a franchising authority fails to render a final decision on a qualifying short-form franchise application within 30 days of receipt, the application shall be deemed to be granted, and the applicant may begin to offer cable services immediately thereafter.

NO BUILD-OUT CONDITIONS ON ENTRY: No franchising authority may condition the award or use of a competitive franchise under 47 U.S.C. § 541(a) on any commitment or obligation of the applicant to provide cable service to all of the households within the jurisdiction of the franchising authority, or to any specified subset of those households.

UNIFORM NATIONAL FORMULA FOR THE CALCULATION OF FRANCHISE FEES: The Commission should determine a single, consistent national formula for the calculation of franchise fees under 47 U.S.C. § 542 to assure that no franchising authority conditions the award or use of a competitive franchise under 47 U.S.C. § 541(a) on the payment of fees or in-kind contributions (including discounts) with an aggregate value in excess of the limits imposed by 47 U.S.C. § 542(b).

NO FRANCHISE PRE-CONDITION TO FACILITIES UPGRADES: No franchise authority may require any person to obtain a franchise under 47 U.S.C. § 541(b) before upgrading existing facilities to have the ability to provide cable services. The installation of fiber, upgraded electronic equipment or other assets in existing telephone rights-of-way, or any other action short of providing cable service, shall not be deemed to constitute the provision of such service.

NO REDUNDANT OR TECHNICALLY INFEASIBLE REQUIREMENTS: No franchising authority may condition the award of a competitive franchise on the provision of facilities that are unnecessary or redundant (*e.g.*, duplicate institutional networks). No franchising authority may condition the award of a competitive franchise on the provision of facilities or services that are not feasible or required by the technology and network architecture used by the competitive franchise applicant (*e.g.*, no space in local headend buildings for PEG or other facilities where the applicant's architecture and technology does not involve dispersed headend buildings).

NO DISAGGREGATED PERFORMANCE DATA REPORTING REQUIREMENTS: No franchising authority may condition the award or use of a competitive franchise under 47 U.S.C. § 541(a) on a commitment to collect, track, or report customer service performance data that are disaggregated by municipality or individual franchise area. An IP video provider shall be entitled to satisfy community service standards based on the aggregate performance data of the regional call center that serves the municipality or local franchise area.

PREEMPTION OF INCONSISTENT STATE AND FEDERAL RULES: The above rules preempt any inconsistent provisions of state and local statutes, ordinances, regulations, rules and practices, as well as any "level playing field," "most favored nation" or similar provisions set forth in any contract or agreement between the franchising authority and any third party.