

FCC Meetings
Franchise Reform Discussion
Representing: Knology, RCN, PrairieWave, Everest
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Background: Most of the original competitive cable franchises were negotiated from 1997-2000. The business and investment environment at the time created franchise provisions that we would not agree to today and that have been determined to be a barrier to entry for new competitive franchises. This history has contributed to the pursuit of franchise reform in Congress and the FCC. Many of these original provisions were agreed to only if the incumbent operators would agree to similar new provisions when their franchises were renewed. Unresolved debates on these issues have led many incumbent cable operators to operate under expired franchises. The original competitive franchises are now starting to come up for their own renewals. Whenever we have had an opportunity to deal with legacy competitive franchises as part of new State provisions we have generally been able to deal with the issues.

Discussion Questions:

1. What application will the new proposed franchise rules have in States that have passed their own franchise reform statutes?

Recommendation: New FCC rules should not preempt State franchise rules.

2. What application will the new rules have to existing competitive franchises that are up for renewal?

Recommendation: The same rules should apply for competitive franchise renewals as they would for new competitive franchises. This would also apply to incumbent cable franchises that face a competitive franchise.

3. What application will the new rules have on existing competitive franchises that are not up for renewal?

Recommendation: Opt-in provisions were part of legislation passed in the House. Similar provisions were pending in the Senate. When a new competitive provider enters a market, existing franchisees should have the ability to opt-in to the new rules.