

Reply to comments of Home Town Cable TV, LLC (HTC):

In their notice of exparte, HTC discusses the "consumer benefits of Bulk Billing Agreements". I have lived with the 'consumer benefits' of a bulk billing agreement for over three years that covers cable TV, internet and home security monitoring services. Let me point out the benefits I have received: poor programming channel lineup, frequent TV outages, incorrect sports blackouts, poor customer services, slow internet speeds, frequent outages of e-mail service, and even one slow response to the home alarm going off accidentally. These type of 'benefits' I could live without.

Under the topic "operational efficiencies" the HTC states what should be the PCO theme song : "reduce exposure to non-payment". This is the one major aspect of bulk billing that may cause numerous HOAs to go into bankruptcy, When there is a non-payment of the HOA dues for any number of reasons including foreclosure, the HOA still must pay these greedy cable-internet-security-etc providers for services rendered to empty houses or apartments. In spite of steady increases in the HOA dues to residents, with so many foreclosures in today's housing market, there will come a time when the increase in dues can not be tolerated and the HOA will have to declare bankruptcy; not because of something important like security guards, but because that cable bill **MUST BE PAID IN FULL** because of the bulk billing agreement that gives these providers 'operational efficiencies'.

Next, the HTC, under a heading "Bulk Discount Agreements = Consumer Empowerment" offers even more outrageous claims I have yet to experience. According to the HTC "Bulk billing agreements empower consumers to negotiate for discounts, specific programming, maintenance, service quality guarantees, and other amenities." In my one experience, and hopefully last, with these agreements, **ALL** of the **POWER** was exercised by the original developer who set up this 15 year disaster(to the residents) of a contract with its own subsidiary. **NO RESIDENTS** were in on the "negotiations". **NO RESIDENTS** gave input into "specific programming" requests. **NO RESIDENTS** demanded "service quality guarantees". Instead, the developer-owned subsidiary PCO was allowed to choose the programming and service quality levels that provide the PCO the most profit. Combine that situation with a developer-controlled master HOA = **CONSUMER**

ENSLAVEMENT.

But again, according to the HTC, consumers are empowered because "bulk billing agreements still allow individual residents to purchase service from alternate providers. While they 'pay twice' for video service, so too do residents who pay for a gym membership rather than using the MDU's exercise room." First, if residents' needs were being met by the provider there would be no need to 'pay twice' for a second provider of video service. Second, if the contracted service was not mandatory, the residents could choose the provider that best suits their needs and again would not have to 'pay twice'. Finally, any comparison of a service coming into an individual's home to an amenity in the community is not valid. An individual should have the option to subscribe to a service that specifically meets the needs of that household. An amenity used by the community at large can not possibly meet everyone's needs be it an exercise room, pool, playground, etc.

The next bit of wisdom from the HTC I certainly will keep in mind if I ever move again -- because the LAST THING I want is to be under another bulk billing agreement. The HTC states "State laws typically require association contracts be disclosed to purchasers. Residents moving in had full opportunity and responsibility to perform due diligence on the quality of cable services, just as they do the roof or school system." You can bet, if I ever move again, the first question I will ask the realtor will be are there any existing bulk billing agreements in the development. Next, when looking at a new house, I will carry a TV and computer with me. I will go to the neighboring house and test the services when I look at a prospective house. Does anyone expect house hunters to have to choose a house in this manner? Let's GET REAL!

But the HTC saved their best "consumer benefits of bulk billing agreements" for last. According to the HTC "If the cable system was so bad to affect the value of their home, the market provided them with a discounted purchase or rental price. If it instead had no impact on such values, then the alleged detriment of the bulk agreement has been overstated." Let's see, since I consider my cable system bad (that's putting it mildly), I should be able to go to

the developer and demand a discount on the price I paid for my home. This has to be the most incredible statement any PCO has made on the 07-51 docket. The developer, who controls the HOA and owns the PCO, is going to discount the selling price of a house if the consumers (the residents of the development) consider the cable service bad!!! An incredible "consumer benefit", brought to you by your local "bulk billing agreement", coming soon to an MDU near you.