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MAR - 6 2009

FCC Mail Room

BRIDGEWATER PLACE • POST OFFICE BOX 352
GRAND RAPIDS, MICHIGAN 49501-0352

TELEPHONE 616/336-6000 • FAX 616/336-7000 • WWW.VARNUMLAW.COM

TIMOTHY J. LUNDGREN

DIRECT DIAL 616/336-6750
E-MAIL tjlundgren@varnumlaw.com

March 5, 2009

***Via Electronic Comment Filing System (ECFS)
and Federal Express***

Ms. Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

**Re: Ex Parte Contact in MB Docket 09-13: CSR-8127 - City of Lansing,
Michigan**

Dear Ms. Dortch:

This *ex parte* notice is filed on behalf of the City of Lansing, Michigan ("City"). On March 5, 2009, the City, represented by Mayor Virg Bernero, Deputy Chief of Staff Randy Hannan, and Matthew Ward of the Ferguson Group met with Acting Chairman Copps and Acting Chief of Staff Rick Chessen, as well as Holly Saurer, Nancy Murphy, Mary Beth Murphy, and John Norton from the Media Bureau to discuss issues raised by the City in its Petition in CSR-8127.

Specifically, the City discussed the roles PEG channels play in the City, the use of PEG channels in the City's economic growth efforts, and the specific concerns of the City with respect to both AT&T and Comcast's plans for presenting the City's PEG channels. Pursuant to Commission rules, a summary of that discussion is attached.

Very truly yours,

VARNUM



Timothy J. Lundgren
Attorney for the City of Lansing, Michigan

TJL:cw
Enclosure

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cc: Chairman Copps
Rick Chessen
Holly Saurer
Nancy Murphy
Mary Beth Murphy
John Norton
2506546_1.DOC



PRIVILEGED AND CONFIDENTIAL / ATTORNEY-CLIENT WORK PRODUCT

MEMORANDUM

TO: Brigham Smith, Esq., City of Lansing General Counsel

FROM: Matt Ward, Esq.

DATE: March 5, 2009

RE: Record of Meeting Between City of Lansing Officials and Acting FCC Chairman Copps

This memorandum provides a record on the conversation among City of Lansing officials, Acting Chairman of the Federal Communications Commission Michael Copps, and Acting Chief of Staff Rick Chessen on Wednesday, March 4, 2009 from 2-3PM EST. The Lansing officials included Mayor Virg Bernero, Deputy Chief of Staff Randy Hannan, and government affairs representative Matt Ward of The Ferguson Group.

Lansing's Mayor Bernero commenced the meeting with a discussion of the importance of PEG channels to Lansing and communities like Lansing. Mayor Bernero described the seven (7) current PEG offerings in Lansing, and how they are critical to local educational, jobs training, economic development, civic participation, religious, and other community interests. Mayor Bernero and Mr. Hannan described how the recently-enacted Michigan franchise act, which regulates cable companies including AT&T, Comcast and Aerial Link, established franchise obligations between cable companies and cities like Lansing that require these cable companies to provide the equivalent number of individual PEG channels as had been provided previous to the enactment of that state law. The Mayor and Mr. Hannan described how the Michigan Act will result in the payment from cable companies to the City of Lansing of approximately \$400,000 for the City to expend on improving PEG service in the community. The Lansing officials described how Lansing has ambitious plans to improve and expand the quality and importance of PEG programming in the City, but are disheartened that AT&T is attempting to relegate PEG to an inferior service that will undercut the City's effort. The Mayor explained that AT&T is seeking to put Lansing's PEG channels into "the digital dungeon."

Acting Chairman Copps asked about the quality of the new AT&T uverse service, and about problems for viewers with accessing the service, and Lansing described those barriers and problems.

Acting Chairman Copps asked about whether AT&T had sought to engage in any cooperative discussions about a solution on PEG service, and Mayor Bernero said that AT&T's attempt to diminish PEG service has taken place without any communications or cooperation with the City.

Chief of Staff Chessen inquired about whether AT&T has genuine technical challenges to providing PEG channels in the way that Lansing desires, and about whether those same challenges would apply to providing basic service for more lucrative broadcast channels.

Acting Chairman Copps conveyed that the timing of potential decision by the FCC on Lansing's petition was uncertain, given that the Commission was undergoing transition.



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MEMORANDUM

TO: Brigham Smith, Esq., City of Lansing General Counsel

FROM: Matt Ward, Esq.

DATE: March 5, 2009

RE: Record of Meeting Between City of Lansing Officials and FCC Media Bureau

This memorandum provides a record on the conversation among City of Lansing officials and Federal Communications Commission Media Bureau officials on Wednesday, March 4, 2009 from 3:30-4:30PM EST. The Lansing officials included Mayor Virg Bernero, Deputy Chief of Staff Randy Hannan, and government affairs representative Matt Ward of The Ferguson Group. The FCC Media Bureau officials included: Nancy Murphy, Assistant Bureau Chief; Mary Beth Murphy, Chief, Policy Division; John Norton, Deputy Chief, Policy Division; and Holly Saurer of the Policy Division.

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The FCC officials asked about the technical barriers and requirements that are associated with the new PEG service delivery. The meeting participants talked about the inferiority and barriers to access with respect to both the new AT&T uverse system and the new Comcast PEG service.

The Lansing officials and the FCC officials discussed that Lansing has declined to participate in the new AT&T PEG service offering because it is inferior and will undercut Lansing's ability to use, improve and help citizens fully enjoy PEG channels.

The FCC officials asked whether the parties had approached the Michigan Public Service Commission for an opinion or ruling. Lansing said that no approach had been made to the PSC, that the Michigan legislature was debating new legislative rules that would govern Michigan PSC jurisdiction over these matters, and that the matter could end up before the PSC. Lansing

emphasized that the outcome of the case could have national import, making prompt FCC determination appropriate.

The FCC officials inquired about the number of AT&T cable subscribers in Lansing, and the City responded that they are unaware of those figures, but believe that AT&T is preparing to serve a substantial number of customers.

The FCC officials asked Lansing about the cost to the City associated with switching to PEG service, and Lansing described such costs.

The FCC officials asked for details on the equipment that viewers would need to access Comcast PEG service, and the Lansing officials indicated that they would follow up with the Media Bureau staff with a response.

The FCC officials asked Lansing's opinion about what "basic cable service" means in Lansing, and Lansing responded that PEG channels must absolutely be considered a fundamental component of basic cable service.

Lansing officials asked the FCC officials about the expected timing for decision. The FCC officials could not provide specific guidance on the timing, primarily because the Commission is currently in transition. The FCC officials conveyed that "this PEG issue is generating significant interest at the FCC, and the PEG issue will be a highly visible issue." The Lansing officials responded that "it won't be highly visible if it is relegated to scratchy service on Channel 99," and the meeting concluded.



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