

**In the Matter of
Annual Assessment of the Status of Competition in the Market for the Delivery of
Video Programming
MB Docket No. 12-203**

**Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C.
20554**

COMMENTS OF: Community Television of Santa Cruz County (CTV)

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submits these comments in response to the above-captioned Notice of Inquiry (“NOI”), released July 20, 2012, seeking “data, information, and comment on the state of competition in the delivery of video programming.”

Community Television (CTV) is an independent non-profit 501(c)(3) organization that manages the community media center for the communities of Santa Cruz, Watsonville, Capitola, Scotts Valley, and the unincorporated areas of Santa Cruz County.

The mission of Community Television is to foster community dialogue and individual self-expression through television, the Internet, and other electronic media. We are dedicated to providing our community with the means for producing and distributing community media. We offer training classes, a studio, and equipment for community members to make their own television/internet program. We also provide extensive coverage of government meetings and elections as well as programming of interest to our community. The area we serve has no other local television.

1. **Channels:** Comcast and Charter provide three cable channels for use by CTV. These channels are placed on the lowest tier of cable provided. If residents only have analog television sets they require a digital converter box to receive this basic service.

2. **Harm and Unintended Consequences:** Due to a 2006 California law, DIVCA, the Digital Infrastructure Video Competition Act, PEG stations like CTV no longer are able to determine how we can spend our PEG fees. These fees are added on to each cable bill and local subscribers pay the fee that cable companies then pass on to local municipalities and then on to our media center as restricted funds. Under DIVCA we are not allowed to spend PEG fees on operating expenses, they must be spent on *capital expenses* only. We do not believe that this unintended harm provides any benefit to anyone involved (including the cable companies), and that local municipalities should be able to spend local funds how the community best determines these funds spent. As a result, we are looking at a potential closure of our media center, regional mergers with other centers, and drastic reduction of funding for vital community media services. We have worked hard to find other sources of funding. However, operating three channels and a cable television station, and providing local coverage and access to media tools for residents requires far more operating expenses that our small staff is capable of raising in

such a short period of time. Over 60 access centers in California have disappeared over the past two years, and we may find ourselves unable to raise the necessary operational funds to keep our media center open to the public.

3. We have been providing programming to AT&T U-Verse for over a year now. We think it is absurd the way AT&T puts all PEG programming on Ch 99, and forces viewers to scroll through a web-based type browsing system to find their community station. This makes our services and channels more difficult to find by residents and does not create ease of viewing for many users unfamiliar with the technology. Our residents pay for local community media through the cable subscriber fee and these services should be able to access it easily and with standard steps across all cable providers.

4. PEG programming has grown in utilization, viewership, relevance, variety, and quality. We have seen consistent improvements across the board for the last five years. We have embraced the concept of our PEG center as a community media center, not just a community television station. Modern television is no longer limited to the parameters that embrace all forms of multimedia production. Support for that should be provided by similar unrestricted revenues to fund this public good/interest as generated by Internet providers and traffic over those same public lines. We are concerned by the move of some cable providers to designate that PEG fees should not be used for Internet purposes when these cable companies have not built out the cable systems in many communities, requiring viewers and media centers to use Internet for broader access to community media. We have adapted to these new technology tools, using live streaming for community events, and reaching viewers in new ways through relevant, hyper-local news, entertainment and information that PEG is best suited for in local communities. We urge the FCC to consider all channels as a forum for PEG access and allow us to grow viewers, quality content, and to generate the community dialogues that necessary for a healthy, vibrant democracy. Without community media, this vital free speech forum and access to hyper local media does not exist for thousands of residents in communities like ours and across the nation.

Respectfully submitted by:

**Lynn C. Miller, Interim Executive Director
Community Television of Santa Cruz County
9/10/12**