

Comcast 676 Island Pond Road Manchester, NH 03109 Phone: 603-695-1400 Facsimile: 603-628-3303 www.comcast.com www.comcastcorporation.com

November 9, 2017

## Via Overnight Delivery

Town of Allenstown Board of Selectmen 16 School Street Allenstown, NH 03275

Re: Commencement of Renewal Process

Dear Chair and Members of the Select Board:

Over the years, we at Comcast have appreciated the opportunity to serve the citizens of the Town of Allenstown (the "Town"). We have done our best to provide the high quality cable television service the Town and its residents demand, and we anticipate being able to provide that service to our subscribers in the Town for many years to come. Therefore, we are taking this step to ensure the renewal of our agreement with you.

The Cable Communications Policy Act of 1984 encourages issuing authorities and cable companies to reach agreement on a renewal agreement at any time through an informal process of discussion. However, Section 626 of the Act also provides for a contemporaneous alternative formal renewal procedure with specific substantive and procedural requirements. If either the issuing authority or the cable company does not initiate the formal process within a certain time frame, the protections of that process may be lost. To that end, Comcast hereby notifies the Town that the renewal period for our agreement under Section 626 is now open, and we request the start of renewal proceedings pursuant to the Section 626(a)(1).

This letter is not intended to preclude informal negotiations, but instead is intended only to preserve the rights of Comcast under the formal renewal process. Comcast has every reason to believe that the Town and Comcast will reach a mutually agreeable renewal of the cable television agreement through good-faith negotiations, thus making many of the Act's formal procedures unnecessary. The relevant provision of Section 626 on the informal process is brief and reads as follows:

"(h) ... [A] cable operator may submit a proposal for the renewal of a franchise pursuant to this subsection at any time, and a franchising authority may, after affording the public adequate notice and opportunity for comment, grant or deny such proposal at any time (including after formal proceedings pursuant to this section have commenced) . . ."

Re: Commencement of Renewal Process

November 9, 2017

Page 2

The "formal" process generally includes the following steps:

- 1. Within six (6) months of the submission of this letter, the Town conducts an ascertainment proceeding which affords residents an opportunity to a) identify the future cable-related needs, and b) review Comcast's performance under the current agreement.
- 2. At your request or on our own, Comcast submits a renewal proposal with a draft cable television agreement.
- 3. Within four (4) months of the Town's receipt of Comcast's proposal, the public is afforded "adequate notice and opportunity to comment on the renewal proposal" and the Town must choose to renew the agreement or issue a preliminary denial, which triggers a further formal process.

I am attaching a copy of Section 626 of the Cable Act for your review. Bryan Christiansen will be in contact with you soon to arrange a meeting with the Town to discuss informally negotiating a renewal agreement. Please feel free to contact Bryan at 603-2247-1871 x202 at any time. Comcast looks forward to meeting with the Town in the near future and continuing the long relationship that, we believe, has benefited both the community and the residents of the Town of Allenstown.

Sincerely,

Timothy Murnane

Vice President, Government and Regulatory Affairs

TM/cam Attachment



cc: Cable Advisory Committee

**Town Manager** 

Bryan Christiansen – Comcast Government & Regulatory Affairs

## The Communications Act of 1934, as amended (47 USC Sec. 546-Renewal)

Section 626. Renewal

(a) Commencement of proceedings; public notice and participation -

- (1) A franchising authority may, on its own initiative during the 6-month period which begins with the 36th month before the franchise expiration, commence a proceeding which affords the public in the franchise area appropriate notice and participation for the purpose of (A) identifying the future cable-related community needs and interests, and (B) reviewing the performance of the cable operator under the franchise during the then current franchise term. If the cable operator submits, during such 6-month period, a written renewal notice requesting the commencement of such a proceeding, the franchising authority shall commence such a proceeding not later than 6 months after the date such notice is submitted.
- (2) The cable operator may not invoke the renewal procedures set forth in subsections (b) through (g) of this section unless -
  - (A) such a proceeding is requested by the cable operator by timely submission of such notice; or
  - (B) such a proceeding is commenced by the franchising authority on its own initiative.

(b) Submission of renewal proposals; contents; time -

- (1) Upon completion of a proceeding under subsection (a) of this section, a cable operator seeking renewal of a franchise may, on its own initiative or at the request of a franchising authority, submit a proposal for renewal.
- (2) Subject to section <u>544</u> of this title, any such proposal shall contain such material as the franchising authority may require, including proposals for an upgrade of the cable system.
- (3) The franchising authority may establish a date by which such proposal shall be submitted.
- (c) Notice of proposal; renewal; preliminary assessment of nonrenewal; administrative review; issues; notice and opportunity for hearing; transcript; written decision -
  - (1) Upon submittal by a cable operator of a proposal to the franchising authority for the renewal of a franchise pursuant to subsection (b) of this section, the franchising authority shall provide prompt public notice of such proposal and, during the 4-month period which begins on the date of the submission of the cable operator's proposal pursuant to subsection (b) of this section, renew the franchise or, issue a preliminary assessment that the franchise should not be renewed and, at the request of the operator or on its own initiative, commence an administrative proceeding, after providing prompt public notice of such proceeding, in accordance with paragraph (2) to consider whether -
    - (A) the cable operator has substantially complied with the material terms of the existing franchise and with applicable law;
    - (B) the quality of the operator's service, including signal quality, response to consumer complaints, and billing practices, but without regard to the mix or quality of cable services or other services provided over the system, has been reasonable in light of community needs;
    - (C) the operator has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in the operator's proposal; and
    - (D) the operator's proposal is reasonable to meet the future cablerelated community needs and interests, taking into account the cost of meeting such needs and interests.
  - (2) In any proceeding under paragraph (1), the cable operator shall be afforded adequate notice and the cable operator and the franchise authority, or its designee, shall be afforded fair opportunity for full participation, including the right to introduce evidence (including evidence related to issues raised in the proceeding under subsection (a) of this section), to require the production of evidence, and to question witnesses. A transcript shall be made of any such proceeding.
  - (3) At the completion of a proceeding under this subsection, the franchising authority shall issue a written decision granting or denying the proposal for renewal based upon the record of such proceeding, and transmit a copy of such decision to the cable operator. Such decision shall state the reasons therefor.

(d) Basis for denial -

Any deriial of a proposal for renewal that has been submitted in compliance with subsection (b) of this section shall be based on one or more adverse findings made with respect to the factors described in subparagraphs (A) through (D) of subsection (c)(1) of this section, pursuant to the record of the proceeding under subsection (c) of this section. A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) of this section or on events considered under subsection (c)(1)(B) of this section in any case in which a violation of the franchise or the events considered under subsection (c)(1)(B) of this section occur after the effective date of this subchapter unless the franchising authority has provided the operator with notice and the opportunity to cure, or in any case in which it is documented that the franchising authority has waived its right to object, or the cable operator gives written notice of a failure or inability to cure and the franchising authority fails to object within a reasonable time after receipt of such notice.

(e) Judicial review; grounds for relief

- (1) Any cable operator whose proposal for renewal has been denied by a final decision of a franchising authority made pursuant to this section, or has been adversely affected by a failure of the franchising authority to act in accordance with the procedural requirements of this section, may appeal such final decision or failure pursuant to the provisions of section <u>555</u> of this title.
- (2) The court shall grant appropriate relief if the court finds that (A) any action of the franchising authority, other than harmless error, is not in compliance with the procedural requirements of this section; or
  - (B) in the event of a final decision of the franchising authority denying the renewal proposal, the operator has demonstrated that the adverse finding of the franchising authority with respect to each of the factors described in subparagraphs (A) through (D) of subsection (c)(1) of this section on which the denial is based is not supported by a preponderance of the evidence, based on the record of the proceeding conducted under subsection (c) of this section.
- (f) Finality of administrative decision Any decision of a franchising authority on a proposal for renewal shall not be considered final unless all administrative review by the State has occurred or the opportunity therefor has lapsed.
- (g) "Franchise expiration" defined —
  For purposes of this section, the term "franchise expiration" means the date
  of the expiration of the term of the franchise, as provided under the
  franchise, as it was in effect on October 30, 1984.

(h) Alternative renewal procedures — Notwithstanding the provisions of subsections (a) through (g) of this section, a cable operator may submit a proposal for the renewal of a franchise pursuant to this subsection at any time, and a franchising authority may, after affording the public adequate notice and opportunity for comment, grant or deny such proposal at any time (including after proceedings pursuant to this section have commenced). The provisions of subsections (a) through (g) of this section shall not apply to a decision to grant or deny a proposal under this subsection. The denial of a renewal pursuant to this subsection shall not affect action on a renewal proposal that is submitted in accordance with subsections (a) through (g) of this section.

(i) Effect of renewal procedures upon action to revoke franchise for cause -Notwithstanding the provisions of subsections (a) through (h) of this section, any lawful action to revoke a cable operator's franchise for cause shall not be negated by the subsequent initiation of renewal proceedings by the cable operator under this section.