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Details:

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

Committee on ... Commerce, Utilities, and Rail (SC-CUR)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Gigi Godwin (LRB) (November/2011)

1320 N. Dr. Martin Luther King Drive
Milwaukee, WI 53212-4002
Tel 414-277-4111
Fax 414-224-6155



December 20, 2006

SB 107?

Ms. Katy Venskus
Office of Senator Jeff Plale
313 South, 3rd Floor
Madison, WI 53703

Dear Ms. Venskus:

Thanks so much for taking the time to meet with Celeste Flynn and myself yesterday. We know how busy you all are especially at this time of year.

You and the Senator are clearly very knowledgeable on our topic. As the debate on a state cable franchise surfaces, please feel free to call at any time for any information.

I've included another copy of the information we shared with you and the Senator, which provides a brief summary of Time Warner Cable and the programs and initiatives we implement throughout the year.

I wish you a very healthy and happy Holiday Season.

Sincerely,

A handwritten signature in cursive script that reads "Bev".

Bev Greenberg
Vice President of Public Affairs

*It was great to meet
you!
Thanks.*



Regional Telecommunications Commission

Suite 1500
1000 North Water Street
Milwaukee, Wisconsin 53202
Phone: 414-347-7089
Fax: 414-347-7670
E/Mail: bob.chernow@rbcdain.com

January 18, 2007

SB 107?

The Regional Telecommunication Commission has over 30 members in southeast Wisconsin. For over two decades, the RTC has been active in its co-operative work. We negotiate for cable and video contracts and have created a rights-of-way and restoration ordinance.

We have negotiated contracts with Time Warner Cable and Digital Access. In addition, we initiated negotiations with AT&T since last February.

Please note that our communities represent the highest concentration of current and potential cable and video subscribers in Wisconsin.

We understand that the Senate and the Assembly are considering legislation that will let AT&T by-pass our communities and will violate our contracts with Time Warner Cable.

We are especially concerned that our communities will be redlined. We also wish to maintain public and government access and franchise fees.

Importantly, we feel that our members should have significant input to any legislation that the Senate and Assembly consider since it is our communities that will be most affected.

Let me make clear that we want competition. We have sought competition for our communities for many years. We initiated negotiations with AT&T and bargained with them in good faith. We found ourselves making all of the compromises, with AT&T's Wisconsin staff unable to make any decisions until they contacted their headquarters. Interestingly, AT&T insists that they are not a cable provider, but this is an illusion as they are providing cable services and are using our rights of way. Finally, they illegally decided to provide their services without a franchise agreement. The City of Milwaukee is suing them, with the backing of our other RTC communities.

AT&T has threatened that they can accomplish what they want through the legislature and the FCC. We believe them, since in some states, like Texas, they spent a reputed \$7 to \$8 million to get a statewide cable program.

We represent the citizens of our communities. Help us keep faith with our citizens by letting us work with you and your colleagues.

BOB CHERNOW, CHAIR

Regional Telecommunication Commission Members

- 1. Village of Bayside ***
- 2. City of Brookfield**
- 3. Village of Brown Deer ***
- 4. Village of Butler**
- 5. City of Cudahy**
- 6. Village of Elm Grove**
- 7. Village of Fox Point ***
- 8. City of Franklin**
- 9. Village of Germantown**
- 10. City of Glendale ***
- 11. Village of Greendale**
- 12. City of Greenfield**
- 13. Village of Hales Corners**
- 14. Village of Hartland**
- 15. Village of Menomonee Falls**
- 16. City of Mequon**
- 17. City of Milwaukee ****
- 18. City of Muskego**
- 19. City of New Berlin**
- 20. City of Oak Creek**
- 21. City of Pewaukee**
- 22. City of Racine**
- 23. Village of River Hills ***
- 24. Village of Saukville**
- 25. Village of Shorewood ***
- 26. City of South Milwaukee**
- 27. Village of Sussex**
- 28. Village of Thiensville**
- 29. City of Waukesha**
- 30. City of Wauwatosa**
- 31. Village of West Milwaukee**
- 32. Village of Whitefish Bay**
- 33. City of West Allis works with the RTC co-operatively**

^^Contract may differ. City owns its transmission piping.

^Also members of North Shore Cable Commission

Who's suing
ATT

Regional Telecommunications Commission

- Bob Chernow

40-45% of population of WI
highest density of cable

5yrs for build out to member communities

- franchise fees
- rights of way
- blowing up cabinets

Invitation to
RTC

Informational hearing

Fox Valley }
Jackson }
Racine }

local regulation

Kurt Wytulski
Alliance of Cities



WAPC



Wisconsin Association of PEG Channels

Serving the needs of public, education, and government cable access television stations since 1998.

2006 - 2007
Board of Directors

President
Joel Desprez
Chippewa Valley
Community Television

Vice-President
Judi Kneccc
Janesville JATV-12

Treasurer
Finance Chair
Deb Brunett
Merrill Productions

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Dan Kummer
Marshfield Public Access

Brad Clark
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Resources Chair
John Jordan
Wausau Public Access

Galen Lingl
Mauston Public Access

Communications/Public
Policy Chair
Alan Luckett
Whitewater Station 13

Scott Mealiff
Sheboygan TV 8 WSCS

John Quirk
Stevens Point Public
Access

ACM Representative
Mary Shanahan Spanic
West Allis Community
Media Center

Pam Steitz
Kids-4 Sun Prairie

Membership Chair
Dawn Wills
River Falls
Community Television

Executive Director
Mary Cardona
608-215-5594
608-233-6148 (fax)
wapc@tds.net

Local Cable Television Franchising WAPC's position

January 19, 2007

Dear Legislator:

SB107?

Coming before the state legislature this session are bills seeking to change over thirty years of settled law governing cable television. Any bill developed and considered by the Wisconsin state legislature should preserve and foster the following principles:

1. Universal Service. Following the example of telephone service and preserving current law governing cable television, continue to require that cable service be universally available to all Wisconsin residents living in urban settings; this will also ensure broadband service is available.

2. Competition. Foster a long-term competitive environment for multiple providers of cable television, broadband Internet, and telephone service that provides all Wisconsin consumers a choice and reasonable rates, not just the high-profit neighborhoods fitting a telephone company's business plan.

3. Local cable franchises. Require companies offering video service to negotiate and obtain a cable franchise contract from local governments, so that video services and revenue streams are appropriately tailored to each community's needs.

4. Community media through public, education, and government (PEG) access channels. Support local non-profit community cable public, education, and government (PEG) access television channels by ensuring communities can negotiate for an appropriate number of local access channels, capital and operating funds; and live carriage of local television signals on the system.

5. Lower property taxes. Hold down property taxes by preserving the current up to 5% cable franchise fee on gross revenues, an optional additional fee to support local public, education, and government (PEG) access channels and free cable service to public buildings (such as schools).

6. Public safety through local control. Preserve public safety by ensuring local authorities are provided meaningful enforcement power over rights of way and consumer protection provisions.

Over the next several weeks, WAPC members will be contacting their state legislators to answer any questions and offer their perspective as PEG station managers. Also over the next several weeks, WAPC will provide additional background information on PEG issues.

If you have any questions, please contact me. My contact information is noted at the left.

Sincerely,

Mary Cardona
Executive Director



WAPC



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Serving the needs of public, education, and government cable access television stations since 1998.

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ACM Representative
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Kids-4 Sun Prairie

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Executive Director
Mary Cardona
608-215-5594
608-233-6148 (fax)
wapc@tds.net

Local Cable Television Franchising WAPC's position on PEG issues

January 19, 2007

Dear Legislator:

WAPC represents 40 public, education, and government cable access stations operating one or more channels across Wisconsin. However there are over double that number of stations in Wisconsin.

The state franchise legislation being considered currently in the utility committees of the Assembly and Senate needs to address the following issues regarding PEG.

- 1. PEG support.** Many PEG stations currently get a sizable portion of their support from "pass through fees" to cable subscribers. This per subscriber/month fee is on top of the 5% franchise fee. Many small communities depend on larger per subscriber amounts to make access stations a reality (see chart). This should be allowed to continue as an alternative to a 1% PEG fee.
- 2. PEG channel capacity.** A competitive video provider should designate the same number of PEG channels as the incumbent cable operator.
- 3. Additional PEG channels.** Local communities should be able to request and receive in a timely fashion up to three PEG channels at any time to meet community needs. Additional channels above three should be granted when a local public, education, or government access channel fills a channel consistently with non-duplicated programming over a set period.
- 4. PEG channels should be carried on the lowest cost tier.** Subscribers should be able to receive PEG channels using the equipment provided to receive the lowest cost tier.
- 5. PEG programming transmission.** The video provider should be responsible technically and financially for making PEG signals compatible with its system.
- 6. Live origination points.** The video provider should be responsible for technically carrying live programming signals as needed from public buildings, such as council chambers and high school auditoriums, designated by local authorities.
- 7. PEG content.** Content carried on PEG channels should continue to be free of any interference from the video provider.
- 8. PEG channel numbers.** All video providers should carry the PEG channels on the same channel numbers. PEG channel numbers should not be changed without the agreement of the local franchise authority.
- 9. PEG program schedule.** The video provider should carry the program schedules of PEG access channels both electronically and in print as they carry the programming for the commercial channels.
- 10. Interconnection with other systems.** Video providers should negotiate in good faith to interconnect with other systems in the community for the purpose of carrying access channels.

SB 107?

11. Licensing fees. If the video provider carries licensed programming beyond the jurisdiction for which it was purchased, the video service provider should pay the incremental increase in cost of the license.

12. Retain some certainty. It is difficult to operate an access station with the legal situation in flux. State legislation could remedy this by requiring video providers to continue providing all services, such as cable service drops, I-Net support, and PEG support, until the expiration of the franchise or until a specific date.

WAPC has sample language on these issues and is happy to provide this language and work with the committees on the bills so that they can be supportive of public, education, and government access channels. Over the next several weeks, WAPC will provide background material on these issues.

If you have any questions, please contact me at 608-215-5594 or wapc@tds.net.

Sincerely,

A handwritten signature in cursive script that reads "Mary Cardona". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Mary Cardona
Executive Director



Venskus, Katy

From: Hodgson, Amber
Sent: Wednesday, January 24, 2007 11:26 AM
To: Venskus, Katy
Subject: FW: the February 7th meeting

SB 107?

Thought I should send it to you

-----Original Message-----

From: Vel Wiley [mailto:velw@matamedia.org]
Sent: Tuesday, January 23, 2007 2:08 PM
To: Sen.Plale
Subject: Re: the February 7th meeting

Hello Senator Plale,

My name is Vel Wiley and I am the Executive Director for the public access station covering Milwaukee and seven North Shore communities. We are the largest public access station in the State and we have 42% viewer ship of the cable subscribers in our contract area.

I have grave concerns about the State Bill that is being developed regarding AT&T. It is my understanding that the Utility Committee will be having an informational hearing on State Franchising on February 7th and you hope that Sen. Plale invites Mary Cardona to speak. Ms. Cardona is the Executive Director of the Wisconsin Association of PEG Channels. She will be able to provide valuable information that will be of benefit to all. Thank you for your time and I do hope you decide to invite Ms. Cardona as a speaker. If you would like to communicate with her, she can be reached at 608-215-5594 or via email - wapc@tds.net

Respectfully,

Vel Wiley
MATA Community Media
2404 W. Clybourn St.
Milwaukee, WI 53233-2516
414-342-4000 (Main)
414-431-3312 (Direct)
414-342-2468 (Fax)
velw@matamedia.org



Venskus, Katy

From: Plale, Jeff
Sent: Thursday, February 01, 2007 9:05 AM
To: Venskus, Katy
Subject: FW: Cable franchise hearing

SB107?

-----Original Message-----

From: Soik Communications [mailto:video@soikcommunications.com]
Sent: Tuesday, January 30, 2007 12:05 PM
To: Sen.Plale
Cc: Sen.Lasee; Rep.Bies
Subject: Cable franchise hearing

Dear Senator Plale,

I'm writing today regarding the February 7 informational hearing before the Senate Commerce, Utilities and Rail Committee regarding cable franchise agreements. I need not inform you of the massive efforts that the telecoms, specifically AT&T, have making at the federal level to "level the playing field".

Legislation, heavily lobbied and largely written by AT&T failed in Congress and for good reason - it was bad legislation.

- It was bad for individual consumers because, despite promises of a more competitive marketplace, it actually rewarded newcomers to the marketplace over incumbent providers.

- It was bad for consumers because there were no assurances that all consumers within a community would be served equally.

- It was bad for consumers because disputes with their video provider would no longer be resolved locally, but in Washington D.C.

- It was bad for municipalities because it severely limited their authority over franchise agreements, service issues and Right-Of-Way management. The authority lost by municipalities would now reside in Washington.

- It was bad for municipalities and consumers because it reduced revenues and in-kind contributions owed communities in exchange for the franchise. This put at risk such assets as Dark Fiber Networks, cable TV to schools and libraries and most importantly, a communities Public, Educational and Government (PEG) channels, the local channels that a community looks to for local programming, church services, government meetings and events that would otherwise go unnoticed.

As a coordinator for Sturgeon Bay's PEG channels, I see every day the value it brings to our community.

Sturgeon Bay's PEG channels provide:

- Church services from seven congregations that bring comfort and healing to those who otherwise would not experience it.

- City and county government meetings and agendas inform and involve people of our community in the issues that directly affect their lives at the most local level.

- The ability and means for anyone to produce local programming and air it for all to see. It's an opportunity to share a tiny part of the public airwaves.

- Community events, concerts, parades, plays that make up our community's "family album". These are those sometimes corny, amateurish events in our community's life that are probably of no interest to anyone else, but show us who we are.

- Almost instantaneous access by non-profits and governmental groups to 4500 households with Public Service Announcements and emergency alerts.

All the above is accomplished with an annual budget of less than \$80, all of which comes

from cable franchise fees, the same fees that you will be asked by the telecoms to reduce, and in some cases, eliminate.

Congress wisely recognized this as bad legislation and let it die in committee. Not to be denied, the telecoms took their lobbyists and influence directly to the FCC, where they proposed the same draconian measures for rulemaking at the executive level. What they couldn't sell to Congress, they feel they can sell to the bureaucrats. This too shall fail.

Recognizing this for what it is, an attempt by the telecoms to buy their way into the marketplace, rather than earning it through honest competition, municipal organizations across the nation are mobilizing to stop what should have been stopped long ago.

Well, they apparently see enough resistance at the federal level that they're now taking their money and lobbyists to the states in attempt to get a free ride into the marketplace. They'll, of course, make the same promises they made to Congress and, as a member of the Committee, I urge you to use the same wisdom that Congress used to deny them. If AT&T wants to enter the marketplace on a "level playing field", I say congratulations, now get to work and compete on the same rules as your competition - you don't get your own rules.

Sincerely,

Tom Soik, Soik Communications
Sturgeon Bay Public Access





President
ROGER L. HERMSEN

President Elect
DOUGLAS J. WENZLAFF

Executive Director
WILLIAM ESBECK

February 6, 2007

SB 107?

The Honorable Jeff Plale
Chairman, Senate Commerce, Utilities & Rail Committee
Room 313 South – State Capitol
Madison, WI 53707

Dear  Senator Plale:

On behalf of the Wisconsin State Telecommunications Association (WSTA), thank you for the opportunity to submit written comments on the topic of Video Franchising reform. As you may know, WSTA's membership includes all 83 of Wisconsin's local telephone companies, 30 Internet Service Providers and 10 wireless carriers.

The committee has appropriately identified Video Franchising as an issue of statewide importance, as we continue to see the rapid convergence on the traditional cable and telecommunication industries into a single "communication" or "entertainment" industry. This can be evidenced by the aggressive entry into the voice market by cable companies (i.e. AT&T has lost about 30% of its telephone customers since 2000 – *Milwaukee Journal Sentinel, January 28, 2007*) and by the fact that 15 of Wisconsin's local telephone companies are currently providing digital video services in their local communities using the existing fiber network and copper wires entering the customer premise. This delivery is identical, or substantially similar to, the technology AT&T has announced it is deploying across the country, including Wisconsin.

WSTA is proud of our member companies that have made significant investments in fiber and central office equipment. This substantial investment from WSTA members is helping to keep Wisconsin's schools and businesses globally competitive. As a result, approximately 85% of all Wisconsin citizens can order high-speed Internet services from their local telephone company. When including satellite services, 100% of Wisconsin citizens can order high-speed Internet services.

Sen. Jeff Plale
February 6, 2007
Page 2

There is little doubt WSTA member companies are operating in a competitive environment. Federal Communications Commission (FCC) data shows that the number of cellular telephone numbers in the United States is now greater than the number of landline telephone numbers. In addition, the Public Service Commission (PSC) recently identified cable companies, competitive local exchange carriers (CLECs), Voice over Internet Protocol (VoIP) and wireless carriers as "effective competition" for incumbent local exchange carriers (ILECs or local telephone companies). While this decision was limited to 18 mostly urban telephone exchanges, WSTA believes this is representative of what is occurring across the entire State of Wisconsin.

As was previously referenced, most cable companies today are offering the triple play of voice, video and data products. In fact, starting this year, all four of the cable operators involved in a joint venture with wireless carrier Sprint Nextel will launch their integrated mobile phone service. Comcast and Time Warner, which have already announced public pilot programs, are expected to expand their service in 2007. And Cox Communications and Advanced Newhouse are also expected to begin offering the service in 2007. It should come as no surprise that the *Heartland Institute* reports that cable prices drop dramatically when an ILEC enters the marketplace offering the triple play of voice, video and data.

Therefore, WSTA believes that reforming the Video Franchising system will result in cost savings to the consumer due to an efficient statewide process and faster entry into the marketplace, which will satisfy strong consumer demand for video competition.

Though WSTA supports legislative efforts to reform the Video Franchising process, we also believe additional statutory changes are needed to more accurately reflect today's competitive environment. At a recent meeting of the National Association of Regulatory Utility Commissioners (NARUC), investor Warren Buffet told the crowd that he has three boxes on his desk, "in;" "out;" and "too hard." According to Mr. Buffet, telecommunications issues almost always end up in the last box because he cannot fully grasp the marketplace for communication services. Indeed, the increasing level of competition for communication services discourages him from trying to pick a winner among all of the different players.

Mr. Buffet's assessment of the industry is not an anomaly. The Chairman of the FCC, Kevin Martin, has continually noted the tumultuous changes occurring in the telecommunications marketplace. He recently said:

Sen. Jeff Plale
February 6, 2007
Page 3

“The communications industry is in a time of unprecedented change. Technological advances, converging business models, and the digitalization of services create unparalleled opportunities and considerable challenges. Perhaps most important, digital convergence is creating real benefits for consumers worldwide by increasing competition among different platform providers.”

One necessary reform is to reduce the reporting requirements imposed upon Wisconsin’s telecommunications utilities. In a bygone era when the PSC determined rates throughout the state and providers were subject to little or no competition, extensive reporting requirements were more justified. Today, however, this archaic information gathering process has little relevance in a competitive marketplace. Nonetheless, continued reporting requirements have an impact on the marketplace because collecting and reporting data involves real costs. As a result, neighboring states (i.e. Minnesota and Iowa) have already dramatically reduced reporting requirements imposed on ILECs.

Similarly, another key to surviving in the competitive marketplace is having the ability to react quickly to competitive pressures. As more and more competitors enter the marketplace, competition will set the proper price for communications services, not regulators. Unfortunately, currently, there are barriers to price flexibility that slow reactions to market forces. Therefore, additional pricing flexibility, especially as it relates to the bundling of services, will only enhance the competitive marketplace.

Therefore, WSTA believes that by adding these two (2) additional telecommunications reforms to a Video Franchise bill, thereby creating “regulatory parity” in the retail video and voice markets, the Legislature would be fostering a more business friendly environment, which would result in effective competition and investment in Wisconsin.

Thank you again for the opportunity to address these important issues. WSTA looks forward to working with you and your colleagues as the legislative process moves forward. Please do not hesitate to me directly at (608) 256-8866 ext 20 with further questions.

Sincerely,



Chris LaRowe
Manager of External Affairs

CC: Sen. Breske, Sen. Wirth, Sen. Hansen, Sen. Cowles, Sen. Harsdorf and Sen. Kedzie



WAPC



Wisconsin Senate Committee on Commerce, Utilities, and Rail
Informational Hearing
February 7, 2007

Remarks by
Mary Cardona
Executive Director
Wisconsin Alliance of PEG Channels
wapc@tds.net

SB 107?

Thank you Chairman Plale, thank you vice-chairman Breske, and members of the committee. My name is Mary Cardona, and I am the Executive Director of the Wisconsin Association of PEG Channels, a state-wide organization representing 40 public, education, and government or "PEG" access stations.

I have spent over 25 years in the cable television field, working as a government access station manager, a cable TV regulator and as a consultant, conducting needs assessments for over 60 communities in Maryland, Virginia, Illinois, and Wisconsin. I have a Masters degree in telecommunications policy from the University of Wisconsin. I am honored to be here representing the interests of public, education, and government access channels.

Access channels are popular in Wisconsin. The very idea of people using television to speak to their community rests comfortably alongside Wisconsin's progressive political history. In the early 20th century, Wisconsin became a model for the nation. Wisconsin progressives passed reforms like the open primary, open government meetings, and municipal home rule. These reforms have created a more direct relationship between citizen and government here in Wisconsin.

AA should give on this if they're smart

Similarly, in the 1970's, in the midst of excitement about a multichannel world that would bring culture and infinite variety, the Federal Communications Commission encouraged a nation to foster a more interactive relationship between citizen and television set, creating "open television." Cable operators were encouraged to dedicate a few channels to the local community, where they could make a real difference in real ways. Access television stations began providing local coverage, showcasing a diversity of viewpoints, bringing government and communities closer together, and teaching citizens how to use the tools of television production to exercise their First Amendment rights.

Not surprisingly, Wisconsinites took to the idea. Today we have over one hundred access stations programming an even greater number of channels in at least 85 cities and villages serving, at a minimum, half the population of the state. This does not include cities operating a simple message board on an access channel. Access channels are popular because communities are innately interested in themselves, their neighbors, and their communities. Local governments and School Districts use them, because unlike other media outlets, access stations allow them to speak directly to residents. This is especially important during emergencies. They are popular because many communities, like Janesville, are not served by broadcast stations. Access stations fill a unique niche that weekly newspapers, radio, broadcast television and daily newspapers cannot fill. Early results from a WAPC survey show that nine of our PEG access stations collectively serve 800 non-profit organizations, city departments, legislative offices, churches, and schools. Clearly, access television is filling a need in our communities.

Surveys from various cities show that 75% of residents watch access channels. Recently the City of Menasha tried to drop coverage of its City Council meetings and according to the Post Crescent, the decision caused a community "uproar." Meeting coverage is back on and the City of Neenah and the City of La Crosse will soon join them. Residents from two cities are working to get access stations going in their communities. Interest in our high school sports coverage is so strong, that access stations have been approached by commercial program distributors. And Wisconsin Eye, the state government access

station, is still planning to get underway and be carried by cable systems across the state. The vision the FCC had 30 years ago of locally controlled media has taken hold in Wisconsin.

Like 30 years ago, there's excitement in the air again with the promise of competition. As a former cable regulator, I know how much cities want competition. Our franchise agreements have never been exclusive. But the fact is, the business of cable television is capital intensive. Only in recent years has the "triple play" of video, telephone, and data provided sufficient potential for profit to make competing head to head realistic. And not surprisingly, the competitor, the telephone industry, is one with a large capital investment already in place. Although its plant is not designed to handle video, getting into the business is a matter of survival for ATT. In recent years, the company has seen many of its telephone customers drift away to broadband cable. To smooth its entry into the video business, ATT is coming to the state legislature for relief from a variety of public interest obligations enforced by local cable franchise agreements.

Based on state franchise legislation passed in other states, WAPC is extremely concerned about how ATT might affect public, education, and government access channels everywhere in the state.

ONE SIZE FITS ALL PEG FUNDING

1. Many state bills include a 1% PEG fee for all Local Franchise Areas. This fee would be assessed on top of the 5% franchise fee. While 1% would be an appropriate level of support for many of our communities and we welcome earmarked support, the 1% PEG fee would cut West Allis Community Media Center's funding by half, because the station is funded by a 2% PEG fee. In River Falls, 1% would mean a 67% cut in the PEG fee and a 25% cut in the budget. To make ends meet in this little town, the entire franchise fee goes to the station and a 3% PEG fee is assessed. There is a base minimum of funding required to open an access center. With this legislation, you have an opportunity to provide much needed stable support for PEG. If there must be standardization, PEG

fees should be based on community size, with smaller communities able to assess higher PEG fees.

TRANSMISSION CHARGES

2. Cable companies have always carried our local programming at no charge. *This is a big deal*

Legislation passed in other ATT states requires access centers to pay for the cost of sending local video signals to ATT's distribution point. (See the diagram.) I have attempted on several occasions to find out exactly what this might cost, but ATT has not been able to give me any solid figures. From what I can gather, the cost for equipment and leasing lines is likely to be in the thousands. As you can see from the diagram, cities often send programming from more than one site. An educational access station might originate its channel from a high school journalism class. Government access typically originates from City Hall, and so on. In addition, cities occasionally produce special live programming from additional sites, like gyms and auditoriums. If ATT charges for carriage, small communities with only message boards on the cable system are likely to decide they cannot afford the channel. Little access stations powered with part-time help will be knocked off the system because the cost of transmission alone will devour their budget. Slightly larger access centers will have to cut back on the number of channels or curtail live programming sites. Cities with a strong commitment to access television may decide to fund the cost out of the property tax. So at the same time ATT offers 1% PEG support they are taking it back with lease and equipment charges. Video providers should continue to bear the responsibility and cost of carrying access channel signals.

CHANNEL DEACTIVATION

3. Some state franchise legislation requires access channels to program a certain amount of video programming in order to continue to be carried. Frequently, message boards are not counted as programming. Small towns with few resources use the message board as a public bulletin board and they are valuable. This type of language will also likely close our smallest stations. A minimum of three access channels should be reserved for all communities and activated upon request, with deactivation only if the channel is dark.

ABANDONMENT OF SERVICE TO THE WHOLE COMMUNITY

4. Current local franchises require cable companies to serve all residential areas of a community and federal law requires placement of access channels on the lowest tier of service. These two requirements ensure every person in a community has access to PEG at the lowest price possible. Because local governments and school districts know these channels are equally available to every resident, they are able willing to take the time to use them to reach the public. State franchise legislation often includes modest build-out requirements that top out at 50%, meaning that video providers, including cable providers, are no longer required to serve entire communities. As cable plant ages, the provider could simply choose not to reinvest in an unprofitable area. Access channels would no longer reach the entire community. Every effort should be made to require full build-out over a reasonable period of years.

It's one hundred years since the progressive movement brought open government to Wisconsin. It's been thirty years since the FCC brought "open television" to the nation. The excitement over cable television is long gone, and we have settled into the reality that 150 channels do not give us the infinite variety we were promised -- but these valuable community access channels remain, making a difference in our communities. This session, amidst excitement over competition and the hope of lower rates, the Wisconsin legislature has an opportunity to defend open government and open television. I ask this committee to write legislation that contains strong protections and financial support for public, education, and government access stations. Without strong public interest provisions access channels cannot survive long during this period of tight municipal budgets and it will be the end of a golden age -- when regular people and their government were able to use the mass medium of television to speak directly to their communities.

Thank you for your time.



Office of the Village Administrator
Michael R. Pollocoff

February 2, 2007

Ms. Mary Cardona, Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

Re: Local Community Channel

Dear Ms. Cardona:

In January, 2006, the Village of Pleasant Prairie introduced "Channel 25" a government access channel for the residents of Pleasant Prairie. The primary objective of this channel is to provide timely and accurate information to the residents of Pleasant Prairie. Programming on Channel 25 broadcasts 24 hours per day and content is updated on a regular basis and includes up-to-the-minute reports of road closings, snow emergencies, water main breaks and other public emergency notices

Residents are also able to view information about Village Board meetings, times and agendas, for all nine commissions; contact information for the various departments within the Village; employment opportunities with the Village; garbage and recycling updates; community development news; recreation news and information about RecPlex and IcePlex. Additional, programming includes educational safety messages, including a six-series show developed by the Pleasant Prairie Police Department on personal safety.

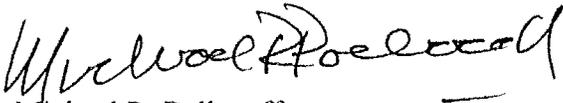
Two examples typify the impact of Channel 25 on governmental operations. In January 2005, the Village began collecting co-mingled recycled materials that were placed at the curb in a 95 gallon two wheeled waste bin. This bin in turn was then lifted and dumped into a truck by an automated hydraulic arm. Once the video was played on Channel 25 describing the front and back of the container and where the container should be placed, the confusion of the residents stopped.

A second impact of our "Channel 25" is the visual description of our Fire Department and how it functions as a combination of full-time and volunteers, and how someone can join the department as a volunteer. We had a very difficult time over the last 10 year recruiting volunteers; and once the volunteer programming was shown, we completely filled our vacant positions and now have a waiting list.

February 2, 2007
Ms. Mary Cardona
WI Association of Peg Channels
Page 2

I cannot emphasize enough how important Channel 25 is to the Village to communicate with our residents in giving them in depth information which cannot always be presented with print or we based communications. This is a visual world and municipal government relies on it for communicating with citizens about what is happening in their municipality. Channel 25 has been very well received by the residents of the Village of Pleasant Prairie, and we look forward to continuing this great service in the future.

Sincerely,



Michael R. Pollocoff
Village Administrator

MPR/jmr

cc: Curt Wiytnski, League of Wisconsin Municipalities
Ed Huck, Wisconsin Alliance of Cities

Kenosha Public Library

Kathy Cole
Head of Administrative Services
812 56th Street
PO Box 1414
Kenosha, WI 53141-1414
(262) 564-6325 Telephone
(262) 564-6370 FAX
kcole@kenosha.lib.wi.us Email

Douglas Baker, Library Director
Administration
812 56th Street
PO Box 1414
Kenosha, WI 53141-1414
(262) 564-6300 Telephone
(262) 564-6370 FAX

January 30, 2007

Mary Cardona
Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

Dear Ms. Cardona:

I am writing to you in support of Channel 14, the local Kenosha cable TV station. The publicity the Kenosha Public Library receives through Channel 14 is crucial to our ability to get the word out to our library patrons.

In the past two years, support from Channel 14 staff has allowed us to record and feature library programs for those unable to attend events. Shut ins were able to view a special by Dr. Roger LaRaus about King Tut, musical programs by national artists such as Kraig Kenning and the Civil War Balladeers, and a feature special on the debut of the Library book cart drill team in the Kenosha Civic Parade.

One of our most exciting collaborations last winter was a program highlighting our Passport to Kenosha's Past. Ten local organizations including the Kenosha History Center, Kemper Center, Rhode Opera House, street car, Kenosha Public Museum, Beth Hillel Temple, St. Matthew's Church, and Simmons Library featured hands-on family activities. We were able to take community members on an educational, Kenosha History Tour through the Channel 14 program that was taped the day of the event.

New this year is the opportunity to receive film training, borrow equipment, and record our own programs. We plan to offer this exciting, educational experience to our middle and high school Children, Art, Storytelling and Theater Club for Kids members.

The local Channel 14 station does make a difference in Kenosha. We support our station and the dedicated employees and volunteers who work there.

Sincerely,





January 30, 2007

Mary Cardona, Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

Dear Ms. Cardona:

I fear that recent attempts by Big Telecom to “muscle in” to Wisconsin in order to facilitate their bottom line will seriously devalue PEG access to the community, and weaken the functioning of local government.

River Falls Community Television, our local outlet, is a vital service to the community of River Falls and local non-profits. The River Falls Area YMCA, River Falls Rotary, Lions Club and Moose organization, the River Falls Food Pantry, The American Cancer Society’s Relay for Life plus others have received valuable publicity and promotion over the station. Parades, art festivals, musical groups, farm festivals—all get valuable air time, and are watched by a large and varied audience.

In addition, a program I have hosted, “River Falls in Focus,” has aired repeatedly with 15 different subjects designed to educate citizens about what’s going on in local government and other topics of interest. We have discussed, using varied panels of “experts,” such issues as Smart Growth, a potential Wal-Mart arrival in town, projects proposed by the city’s engineering department and Historical Preservation Society, and potential boundary agreements between the City of River Falls and outlying townships.

Also, RFCTV broadcasts local high school sports contests, church services, and the Emergency Alert Service. And a good argument can be made that the station has a positive economic impact on the area by increasing interest in the downtown area and bringing folks to town for many of the above-mentioned activities.

In short, we in River Falls think any legislation which reduces the effectiveness of local PEG access is bad legislation.

Sincerely,

Don Richards, Mayor, City of River Falls

DR/km

cc: Curt Witynski, League of Wisconsin Municipalities
Ed Huck, Wisconsin Alliance of Cities

THE KINNICKINNIC RIVER LAND TRUST

WORKING WITH THE COMMUNITY TO PROTECT THE NATURAL RESOURCES AND SCENIC BEAUTY OF THE KINNICKINNIC RIVER WATERSHED



January 30, 2007

Ms. Mary Cardona
Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

Dear Ms. Cardona,

As a non-profit in River Falls, Wisconsin, I am writing in support of continuation of PEG funding for PEG access channels.

Our local community television (River Falls Community Television, Channel 16) is an invaluable community resource which allows our area residents to have community information readily available to them, including local government meetings, recorded Church services for the homebound and sick, local high school sports, and information about local non profits, such as ourselves.

The mission of the Kinnickinnic River Land Trust is to protect the natural resources and scenic beauty of the Kinnickinnic River watershed. Our relationship with RF Community TV-16 is an important component of fulfilling our mission. With the help of RFCTV-16, we have produced a program about the watershed of the Kinnickinnic River. The Kinnickinnic River has received the highest rating of the Wisconsin Department of Natural Resources as a Class One Trout Stream and as an Outstanding Resource Water. The "Kinni" is a valuable asset to our local economy and critically important in our area's quality of life. RFCTV-16 has been invaluable in letting our community recognize the importance of this asset and the need for its protection. Our ability to "get the message" out to local residents of the value of this river resource and the need for its protection relies on the active and funded presence of our local cable access community television station.

Sincerely,

Margaret Smith
Interim Executive Director



MAYOR'S OFFICE
JEANNETTE BELL
Mayor

414/302-8290
414/302-8207 (Fax)

City Hall
7525 West Greenfield Avenue
West Allis, Wisconsin 53214

mayor@ci.west-allis.wi.us
www.ci.west-allis.wi.us

February 1, 2007

Ms. Mary Cardona,
Executive Director
Wisconsin Association of PEG Access Channels
4209 Bagley Parkway
Madison WI 53705

Dear Ms. Cardona:

The public, educational, and government channels in West Allis are vital entities in our community and have been financially supported by the residents of West Allis for the past 25 years.

Our residents have access to programs that pertain only to West Allis, our concerns, our issues, and our community. There are over 200 producers providing programs on the public access channel. Every elementary, middle, and high school has a video club where the students develop and produce programs for the educational access channel. And, our City's government access channel has been recognized nationally, receiving awards of excellence for the programs they have produced.

Only on these three channels can residents view shows like: LIVE coverage of their Common Council and School Board Meetings; programs depicting the redevelopment and revitalization of our community; being exposed to a variety of political viewpoints; hear the candidates in pre-election forums; see LIVE coverage of community events; or be informed about health and safety issues that can provide a better quality of life in our community.

I personally have a program on our government access channel entitled ON SITE: WEST ALLIS. The topics we've explored have included an interview with newly elected State Senator Jim Sullivan, the street construction process, a look inside the Divisions of our Public Works facility, the work done by the Animal Control Center, and the services of the Family Resource Center to name just a few. In a few weeks, I will videotape my annual State of the City Address, which will also be shown on the government access channel.

Without our public, educational, and government access channels, the people of West Allis would have little to no access to the local information and topics presented on our community access channels. They are an integral part of West Allis and are supported wholeheartedly by the community.

Sincerely,

A handwritten signature in black ink that reads "Jeannette Bell".
Jeannette Bell,
Mayor

JB:jfw

cc: Ed Huck, Wisconsin Alliance of Cities
Curt Witynski, League of Wisconsin Municipalities

January 29,2007



Mary Cardona
Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

The City of New London awarded its first franchise in 1980 at that time receiving a start up equipment to establish a Government access Channel. Quickly seizing upon this opportunity Cable 16 was born. The City received regional recognition for coverage of its Council Meetings in 1983 not for televising the meetings per se, as others were also doing that, but for an innovative use of technology, where persons could call into the cable studio during the live broadcast and ask questions about what was happening, these questions would be typed onto a monitor on the Mayors desk. He would read the questions to the Council and he or another member would answer them on the spot.

Since this time the City has used every dime acquired from Franchise fees to administer the franchise, upgrade the equipment or pay for personnel to run the Government access channel. Administrative costs have been minor except when franchise renewal issues came up. To keep these costs down, New London established an intergovernmental cable commission composed of some 16 communities which banded together for the purpose of creating a uniform franchise agreement and ordinance, audits of franchise fee calculations and regular meeting between members and the cable provider to discuss common issues emerging technologies and legislative challenges. This group was quite successful in developing

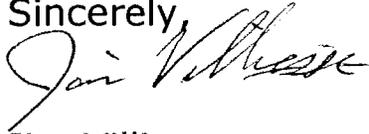
and negotiating common franchise agreements and ordinances which made things more uniform for the cable provider and had members adhering to the same standards and benchmarks. Regular meetings with the cable provider greatly furthered communication and avoided misunderstandings. This group was viable from 1992 to about 1998 when realignment of cable territories and the merger of cable companies cost us many of our members.

Cable 16, which over time became Cable 6 and now Cable 3 has had a history of innovative local programming not available through the Green Bay based 'over the air' broadcasters or the cable industry. These include local broadcasting of youth events, local high and middle school sports, a local news broadcast, In conjunction with local schools, creating the future news reader/reporter talent pool), displays of Christmas lights, a sports talk show, several local science shows, interviews with residents about their travels, personal histories (a living history project again in conjunction with the schools) interviews with residents about their hobbies, collections etc., local fishing programs, outdoor wildlife programs utilizing State & County naturalist . In addition to self-generated programming, we fill the airtime with public service information, an events calendar and market the state using the Discover Wisconsin system.

The New London Cable Channel has been a success for over 25 years, bringing the richness of our community into the homes of our residents and those on the same cable feed lines (Hortonville, and greater New London.) It has been an excellent source of information for our residents on how the local government works, what it is doing and how people can get involved. (We commonly broadcast candidate forums, and give voters information about upcoming elections.) The existence of the local cable TV network with the franchise fees it pays have made this possible. This has been a plus for both us and the cable company, as many residents tell

us they wouldn't think of dropping cable TV for a dish as they would no longer have access to cable 3! Thus we are very concerned over any national or statewide proposals which would strip us of our Government access channel or the franchise fees we need to run maintain the channel. There is no longer is much interest from the area newspapers in covering the kind of news or information we supply over Cable 3, so with out it there would be and remain an unfilled void.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim Villiesse".

Jim Villiesse

City Clerk,

Past Chairperson of Intergovernmental Cable TV
Communications Committee



SCHOOL DISTRICT OF NEW LONDON

DISTRICT ADMINISTRATION OFFICE

901 West Washington Street

New London, WI 54961

Phone (920) 982-8530 • Fax (920) 982-8551

January 31, 2007

William Fitzpatrick

District Administrator
bfitzpat@newlondon.k12.wi.us

Carol Bitar

Director of Curriculum
& Instruction
cbitar@newlondon.k12.wi.us

Ann Christopherson

Director of Pupil Services
achristo@newlondon.k12.wi.us

Richard Yerkey

Director of Business Services
ryerkey@newlondon.k12.wi.us



Joe Pomrening

High School Principal
jpomreni@newlondon.k12.wi.us

Terry Wetzel

High School Asst. Principal
twetzel@newlondon.k12.wi.us

Stephanie Hauser

High School Asst. Principal/
Activities Director
shauser@newlondon.k12.wi.us

Andrew Jones

Middle School Principal
ajones@newlondon.k12.wi.us

Pete Schulz

Middle School Asst. Principal
pschulz@newlondon.k12.wi.us

Jo Collar

Parkview Elem. Principal
jcollar@newlondon.k12.wi.us

Mary Toby

Lincoln Elem. Principal
mtoby@newlondon.k12.wi.us

Kathy Gwidt

Readfield Elem. Principal
kgwidt@newlondon.k12.wi.us

Kristin Grable

Sugar Bush Elem. Principal
kgrable@newlondon.k12.wi.us

Mary Cardona
Executive Director
Wisconsin Association of PEG Channels
4209 Bagley Parkway
Madison, WI 53705

Dear Mary:

As Superintendent of Schools, I write this letter to express our concern regarding proposed reduction of community access or increased franchise fees. The value of community access to the functioning of our schools is great. It has served as a vehicle to provide information regarding school governance, student performances, and reports to the community about student achievement. Nearly 70% of those living in the community do not have children in our schools yet they support our efforts through their hard-earned tax dollars. They deserve to know how those dollars support education. In a community served by two weekly newspaper publications, there are gaps in the flow of timely information. Cable access fills that gap.

To provide a clearer picture of the types of programming made available to the school and community, let me list several examples:

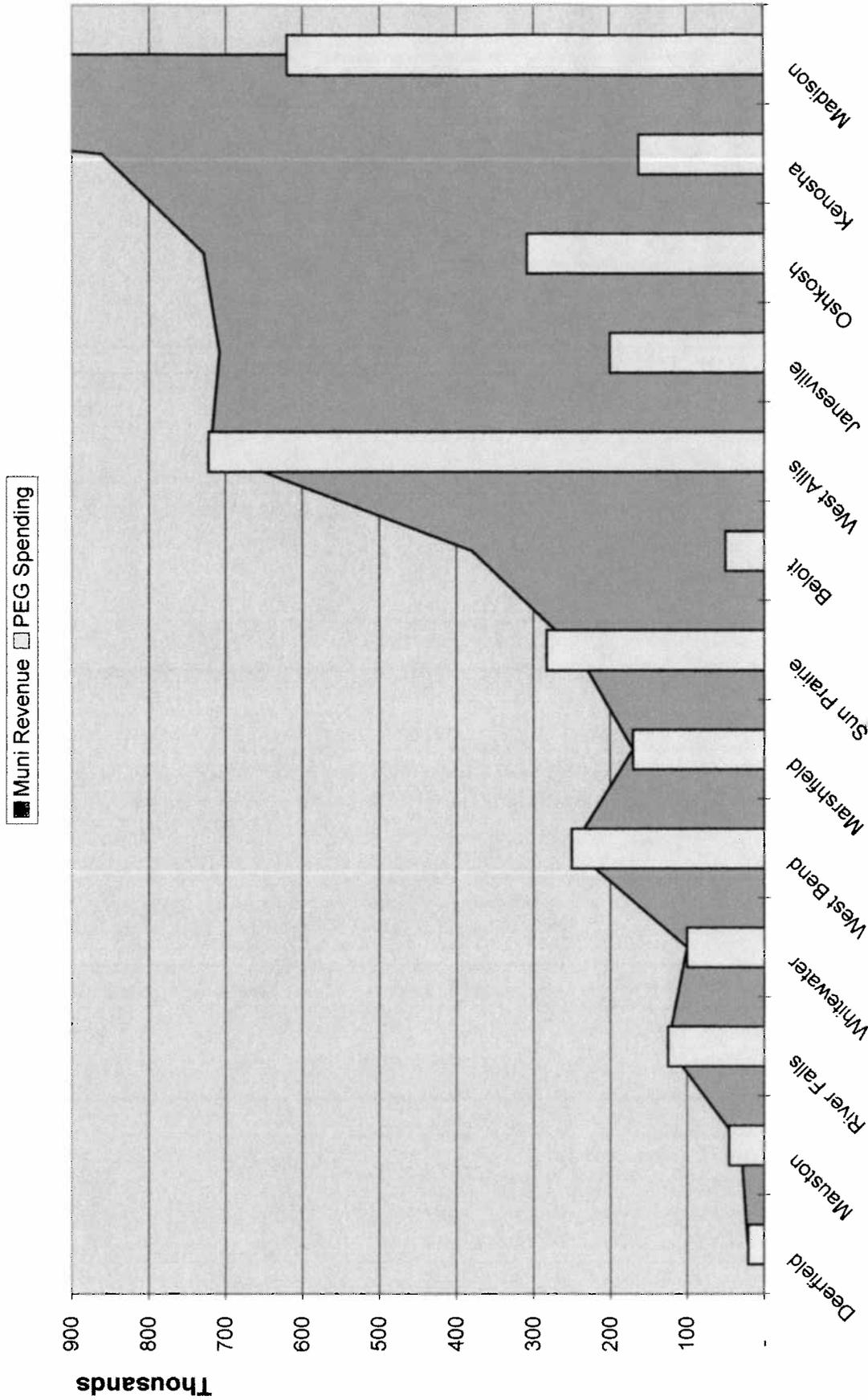
- School board meetings since 1997
- School board candidate forums
- School registration dates for the school year
- New London food service wellness programs
- New London school bus safety programs
- Student news programs that the students produce throughout the year
- Bulldog sporting events—volleyball, football, boys' and girls' basketball, wrestling, girls' softball
- New London musical department concerts and all grades both band and vocal
- Senior Awards Program
- Graduation

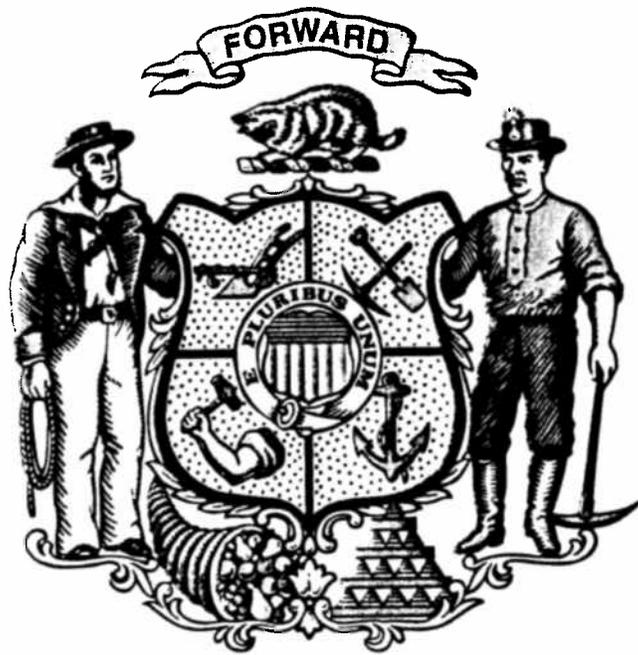
As you can clearly see, hundreds of hours of timely entertainment and information are provided by such programming. Therefore, the School District of New London stands in opposition to a reduction of funds to Cable 3 or an increase of any kind in the form of franchise fees. Let me emphasize the importance of this service to our schools and community.

Sincerely,

Bill Fitzpatrick
District Administrator
BF/jmw

PEG Spending as share of Municipal Cable Revenue





She looks like every member of LWV I've ever seen.



THE LEAGUE OF WOMEN VOTERS
OF MILWAUKEE COUNTY

SBI07?

To: The Senate Committee on Commerce, Utilities and Rail
From: The League of Women Voters, Louise Petering, Co-President,
LWV Milwaukee County
Re: Video Franchising
Date: February 7, 2007

The League of Women Voters mission as a non-profit, non-partisan political organization is threefold: to encourage the informed and active participation of people in government, to increase understanding of major public policy issues, and to influence public policy through education and advocacy.

The League understands that a viable democracy rest on an informed electorate. Only with in-depth information and open decision-making can citizens make wise choices. Based on our "Citizen's Right to Know" position, we advocate for open meetings, open airwaves, open discussions – openness, regardless of the issue or technology involved.

Public, Education and Government (PEG) Access is committed to such openness. Knowing this, the League of Women Voters avails itself of PEG Access in Milwaukee and around Wisconsin and the nation, all for the purpose of providing the in-depth information about issues and governmental practices and policies so critical to a healthy democracy in our very complex 21st century world. PEG Access is truly the only "public" forum among current media options.

PEG Access should be provided with sufficient funds from franchise and per subscriber fees to purchase and maintain equipment, employ staff, and enhance training programs. In addition, PEG Access should remain free from distributors' up-streaming charges, whether for needed up-streaming equipment or up-streaming itself. Franchise and per subscriber fees are a necessary means to a desired end – a healthy democracy in which all voices are heard. All PEG entities in Wisconsin, whether large or small, need your support to provide the service of open discussion that is key to our democracy's health. Support PEG Access and then enjoin your colleagues to do the same.

E-mail: info@lwvmilwaukee.org
Website: <http://lwvmilwaukee.org>

Louise Petering

414-273-VOTE (8683)
E-mail: info@milwaukee-voters.org
Web: www.milwaukee-voters.org
P.O. Box 100785, Milwaukee, WI 53210





WISCONSIN CABLE COMMUNICATIONS ASSOCIATION

22 East Mifflin Street, Suite 1010 • Madison, WI 53703 • 608/256-1683 • 608/256-6222 f

February 7, 2007

SB 107?

Outline

WCCA Testimony before the Senate Committee on Commerce, Utilities and Rail

1. Introduction

2. Cable Invests in Wisconsin

- a. 1996 Telecommunications Act is a springboard for cable investment and innovation in Wisconsin.
- b. Over \$2.5 billion invested by CATV in Wisconsin has resulted in an advanced, state-of-the art, two-way video, data and voice network
 - i. Video – digital picture and sound, high definition service, Video on Demand, digital video recorders, Start Over options, etc.
 - ii. Data – Cable’s investment created the high-speed broadband market in Wisconsin
 - iii. Voice – Digital telephony service introduced in markets all over Wisconsin
- c. TA 96 grants Bell request to compete in long distance, authorized four methods for a telephone company to get into the video business.
- d. Bells failed to invest in video.
- e. Cable’s investment is 100 percent at risk capital.
- f. Cable’s advanced services offerings are not limited to major population centers or wealth zip codes.

3. Competition

- a. Robust competition exists today in Wisconsin’s video marketplace.
 - i. Consumers have a choice of at least 3 video providers – cable operator and two nationwide satellite providers.
 - ii. A growing number of Wisconsin communities have multiple franchised cable operators – at least 25 communities have awarded competitive cable franchises.
 - iii. Cable’s video market share has dropped from 95 percent in 1995 to 68 percent today.
- b. The next video provider to market in Wisconsin will not be the second or third provider but at least the fourth and in many communities, the fifth video provider to market.

MSK

- c. Wisconsin cable operators compete every day with multiple providers for video, data and voice. We compete on price, technology, value and service.

4. Non-exclusive franchises

- a. Cable franchises are non-exclusive.
- b. Federal and state laws have expressly prohibited non-exclusive “monopoly” franchises since 1992.

5. Future of video in Wisconsin

- a. Given the competitive video landscape, the industry does not object to a review of the regulatory framework in Wisconsin as it pertains to the provision of video services.
- b. Any reform must be designed to:
 - i. Achieve regulatory parity
 - ii. Ensure a level playing field among all video providers
 - iii. Reduce unnecessary burdens and fees on consumers
- c. State after state which has looked at the issue has determined to treat all video providers – incumbents and new entrants – in a competitively neutral regulatory framework. They have also decided upon a deregulatory approach to state video laws.

6. Conclusion

- a. Cable is proud of the billions invested in Wisconsin to deploy advanced technologies in small and large markets.
- b. Consumers can readily choose to purchase video, data and voice products from cable operators or any number of competitors.
- c. The Legislature may want to review the current regulatory framework governing the provision of video services to reflect the competitive nature of the market.
- d. The cable industry is ready to work with this committee, as well as Representative Montgomery’s work in the Assembly to insure that any new approach treats all providers the same and reduces costs and fees to Wisconsin consumers.

Thank you Chairperson Plale for your invitation to address the committee today on behalf of Wisconsin's cable industry. I commend you for your decision to begin looking at this issue with an informational hearing. Of course the cable industry has a lot to say on this issue – because we have a lot at stake in Wisconsin. Billions of dollars invested in the state – in fact over \$2 and a half billion in the last decade alone – to offer the most advanced digital video, data and now voice services available anywhere in the country.

Cable Invests in Wisconsin

I think it is useful to take a brief look back at this industry and how it has reacted in the last decade since Congress passed the Telecommunications Act in 1996. Tomorrow is actually the eleven year anniversary of the passage of this Act in Washington. The last decade reflects a time of unprecedented investment by the cable industry in the state of Wisconsin and in the nation to bring the most advanced two-way digital video, data and voice services to our customers

In Wisconsin alone, the cable industry has invested close to \$2.5 billion to rebuild our networks. We have deployed fiber optic technology throughout the state, using a “fiber-to-the-neighborhood” design and are now offering our customers digital picture and sound, high definition television, Video on Demand, local cable channels, digital video recorders, high-speed broadband and digital telephone service. We have even launched local programming like Time Warner Cable's Wisconsin Channel, Wisconsin On Demand, Channel 1111, which is a free digital channel dedicated to showcasing high school sports and Wisconsin tourist attractions.

This all occurred during a period of intense competition from satellite based video providers and, unlike the telephone industry, cable providers have never received a penny of universal service subsidies, a guaranteed rate-of-return or other state or federal support to build our networks. The advanced multi-billion dollar cable platform serving Wisconsin was built with 100% at risk capital.

While the 96 Act served as a catalyst to allow new competition in the telephone local and long distance market, it also encouraged telephone company entry into the video market. In fact, the 96 Act authorized no less than four methods for a telephone company to get into the video business. The telephone industry clearly had other priorities than competing in video because they simply failed to invest in that business. SBC actually shut down the video business of the other telephone companies it purchased.

Meanwhile, cable created the broadband market which we all enjoy today. We invested the capital to bring to market the new video products I have already mentioned, and now we are offering Wisconsin telephone customers a real choice to their current telephone provider. And I can report that the choice is being appreciated by customers. It is significant to note that since Time Warner Cable launched its Digital Phone service a year and a half ago and abiding by all the current laws and regulations, Time Warner Cable – Digital Phone was recently voted number one in Customer Satisfaction by JD Powers and Associates.

I would also add that cable has not limited our provision of advanced services to major population centers in Wisconsin. Our companies have built their advanced networks in virtually every community they serve. For example, out of 575 communities served by Charter Communications, some 400 are communities with a population under 5,000 whose customers have access to advanced video and broadband services. More importantly, our advanced video and broadband services are available to customers throughout the communities we serve not just to those who reside in wealthy zip codes.

Competition

I am starting to hear a lot about the topic of video competition so I think it is important to get the facts on the table to help guide any discussions which may occur in this committee and the Legislature regarding the issue. Eleven years after passage of the 96 cable Act, the Bell companies are now ready to begin competing for video customers.

While the Bells took their time to offer video services to Wisconsin customers, competition was robust and continues to exist in Wisconsin's video marketplace. Consumers currently have a choice of at least three video providers – an incumbent cable provider and two nationwide satellite companies. Beyond that many Wisconsin communities have a second wireline cable operator competing with the incumbent operator and satellite providers. I am aware of at least 25 Wisconsin communities which have awarded franchises to new cable providers who compete with the existing cable operator. From Century Tel in western Wisconsin, to CTC Telecom in north, to Solarus in WI Rapids, Mount Horeb Telephone and Reedsburg Utility in central and southern Wisconsin, more and more consumers are able to choose between multiple cable and satellite providers for video services.

The impact of the competitive environment has had a dramatic effect on cable's video market share, as demonstrated in recent GOA and FCC reports, which find incumbent cable's share of the multichannel video market has dropped from 95 percent in 1995 to 68 percent today.

The next video provider to begin offering service in Wisconsin markets will not be the second or even the third provider to market – they will be at least the fourth and in a growing number of communities they will be the fifth competitor in the market.

Wisconsin cable operators are competing every single day with multiple providers for every video, data and now telephone customer, and we are prepared to continue competing on the basis of price, service and value with every new provider entering the marketplace.

Non-Exclusive Franchises

The growing number of Wisconsin communities with multiple wireline cable providers highlights an important issue: cable franchise agreements with municipalities are non-exclusive agreements under Wisconsin law for many years. And exclusive video "monopoly" agreements have been expressly prohibited by federal law since 1992. Any

company, including any telephone company, has long had the ability today to seek a franchise to offer video service in any Wisconsin municipality regardless of the number of existing cable operators already serving the community.

The Future of Video in Wisconsin

I know the committee is interested in our view of legislative proposals which would modify current laws governing the provision of video service in Wisconsin.

Given the degree to which the competitive video landscape has changed and is about to change further as the Bells enter the market, we do not object as an industry to a review of the regulatory framework in Wisconsin as it pertains to the provision of video service.

However, if there is to be any change to the current regulatory framework, any reform must be designed to achieve regulatory parity, ensure a level playing field among all providers and seek to reduce burdens and fees on consumers.

This, in fact, has been the conclusion reached in state after state that has undertaken the task to update the regulatory treatment of video service.

This means, for example, that new laws apply equally to all providers – incumbents and new entrants to the market. We also think that it is appropriate that the law reflect the realities of a competitive video marketplace. Consumers should not be overburdened with regulatory fees and taxes in a competitive market.

Conclusion

I will conclude this way: We are proud of the investments cable has made in Wisconsin. We have spent billions to deploy advanced technologies in large and small markets throughout the state so our customers can choose from an array of advanced video, data and now voice services.

And let me emphasize that customers can choose – they can readily choose to purchase video products from cable or one of our competitors, they can purchase broadband service from cable or a competitors and now in a growing list of Wisconsin communities they can choose Charter Communications, Time Warner Cable or Comcast as their voice provider.

All this investment, all the innovation and all the competition has emerged in Wisconsin under our current regulatory framework. But, this is not to say that the current regulatory framework shouldn't be reviewed by this committee and this Legislature. In fact, in the last few years, a growing number of states have undertaken the task of updating state laws addressing the provision of video service to reflect the realities of competition.

We are prepared to work with this committee and with Representative Montgomery's work in the Assembly to insure that any new approach treats all providers the same and ultimately reduces costs and fees to consumers.





SB 107?

**Testimony of AT&T Wisconsin President Scott T. VanderSanden
Senate Committee on Commerce, Utilities and Rail
February 7, 2007**

Good morning. My name is Scott VanderSanden, president of AT&T Wisconsin. I appreciate your invitation to AT&T to address the important issue of video franchising today.

AT&T Wisconsin is a major contributor to Wisconsin's economy, providing vital telecom services to Wisconsin residents and businesses every day. We employ more than 5,000 workers in Wisconsin. More than 3,000 of those are union workers, mainly represented by the Communications Workers of America.

AT&T has a long history in Wisconsin, going back more than 120 years. We began by providing only phone service. Today, to better meet our customers' needs, we've evolved into a full-service communications and entertainment company. We offer high-speed Internet service. Wireless service, including ring tones. Online music, gaming and sports. And now, we're beginning to offer television service over phone lines across the country. To quote a recent Milwaukee newspaper article, we're not your father's - or mother's - phone company any more.

Before I talk more about franchising issues, I'd like to tell you about major networks upgrades now underway and our new video service, which is called U-verse.

AT&T is in the second year of making major improvements to our telecom network. This program, known as Project Lightspeed, involves adding more high-speed fiber optics to our existing network. This investment, totaling \$4.6 billion over three years across 13 of our states, will greatly increase the bandwidth of our telecom network.

in WI?

By adding this additional bandwidth, we'll be able to offer consumers three exciting services: faster internet speeds, video entertainment, and eventually, voice service using Internet Protocol technology.

We're rolling out our new U-verse video entertainment service across the country as our infrastructure upgrades are completed. So far, we are offering U-verse to residents in parts of 11 metro markets across four states - in cities such as Indianapolis, San Francisco, Oakland, San Antonio, Houston and Hartford, Connecticut.

And in each market we enter, we are the new kid on the block - we're starting as a new entrant, with no video customers.

As part of our three-year initial deployment, we plan to make U-verse available to about 19 million living units across 13 states by the end of 2008. This represents about half of the living units we serve in the 13 states.

Our three-year rollout will cover all segments of our customer base. For example, we'll make this service available to 5.5 million low-income households over the first three years. This totals more than 25% of the living units that we will pass in the 13 states.

Many Wisconsin residents are scheduled to be included in this initial rollout. Network upgrades are underway across parts of our state. This has meant millions of dollars being invested in Wisconsin and new jobs, including 200 new, mostly CWA union jobs, that we just announced in Milwaukee.

When we begin offering our U-verse alternative to cable in Wisconsin, residents will finally see the benefits of competition – just like consumers are experiencing in other parts of the country.

Why do Wisconsin consumers need video choice? Let's look at prices. Nationally, according to the FCC, prices rose on average 93% over the last 10 years.

In Wisconsin, we've seen large price hikes for video service in our metro areas. Madison consumers are paying 61% more per month than they did in 1999. In Milwaukee, prices jumped 62% since 1999.

Why? Because there's no real video competition to affect prices in the market. FCC Chairman Kevin Martin, in a speech in November, said that only competition from a second wireline video operator lowers prices. He also said, and I quote: "Competition from satellite providers does not have the same effect."

It's common sense that competition will hold or reduce prices. And there's plenty of proof.

The month before Texas approved a statewide franchise law, cable raised prices in some cities by 25%. Then, the month after the bill was signed into law, cable dropped prices by 25% in other neighboring cities.

Another example comes from New York City. After Verizon entered the market there, cable companies offered discounted prices and faster broadband speeds.

And a final example is AT&T's U-verse. In the locations that we offer U-verse, the price of our stand-alone video service is 20%-30% lower than cable. And the price of our video, voice and Internet bundle of services typically beats cable.

As FCC Chairman Martin said, quote, "Increasing competition in the video programming arena will lower cable bills and thereby benefit consumers."

Consumers in fact are demanding alternatives. In a recent scientific survey of Wisconsin voters, 75% of consumers said the price of cable TV service was too high. 77% of consumers said there's not enough competition for cable TV service. And 73% said they support statewide video franchising legislation.

So it's clear that residents need and want more video choice in Wisconsin.

The best way to encourage these alternatives and bring consumer benefits to our residents quickly is to establish a statewide video franchising process.

Because AT&T will not be a “cable operator,” operate a “cable system” or provide a “cable service” within the meaning of the Federal Communications Act and the Wisconsin Cable Act, AT&T’s U-verse TV service is not subject to local cable franchising requirements.

At the same time, AT&T has always strived to be an active partner with the communities that we serve.

That’s why we have supported statewide franchising bills that require payment of reasonable and appropriate video-related fees to local governments and other important consumer and public policy-related matters such as the carriage of public, educational and government programming and emergency alert service.

A statewide video franchise would enable providers to enter into a single agreement that encourages competition.

Statewide franchise bills also give cities 5% of gross revenues from the sale of video service: That’s the same amount cable companies give cities under existing franchise agreements. And such bills ensure transmission of public channels.

You may hear from some people today that city-by-city franchises are a better way to go, but we strongly disagree.

First, companies such as AT&T are not required to enter into individual cable franchise agreements since we’re not a cable operator, and we’re not offering a cable service.

Second, AT&T has tried to obtain agreements – competitive video agreements – with dozens of Wisconsin municipalities. We’ve offered to sign binding agreements to pay 5% of revenues directly to cities. And we’ve offered to carry their public programming.

We continue to talk with cities that are interested, such as Milwaukee, and hopefully will reach at least a few agreements. However, today we’ve reached no agreements with cities, and consumer choice shouldn’t depend on such agreements.

And third, muni-by-muni agreements fly in the face of common sense. Consumers today are benefiting from truly competitive markets for telecom services such as wireless, wireline and broadband. None of these services are regulated by local governments. Yet consumers have an enormous number of new providers, features and services to choose from – and falling prices.

Imagine if your city or village regulated cell phone providers. Do you think there’d be as much competition as there is today?

Even other video products aren’t regulated at the local level. Satellite TV providers pay no franchise fees. Television networks that webcast programming pay nothing. And Internet video services such as You Tube are untouched by local regulation.

In Wisconsin, we have 1,850 cities, villages and towns. Imagine how long consumers would wait to get video choice if competitors needed individual approvals, municipality-by-municipality. Consumers could wait years for negotiations to be completed.

In contrast, imagine a system where just one franchise agreement is needed to compete anywhere in the state. Companies would still be legally bound to pay local governments and to carry public channels.

But, with this key difference from local franchising: Consumers would see benefits of competition much sooner.

Statewide video franchising legislation is nothing new. Nine states have already approved such bills, and many more are considering them.

In the Midwest, Michigan and Indiana have approved such laws. Bills have also been passed in California, Kansas, New Jersey, North and South Carolina, Texas and Virginia.

These legislatures passed video bills by large bi-partisan margins, and they've been signed by Democratic and Republican governors alike.

I encourage you to talk to your colleagues in other parts of the country. Find out – did the laws hurt cities? Did they result in problems with build out? Or, did they begin to open the door to competition?

The bottom line is that consumers around the country are finally getting video choice. AT&T, Verizon and others are already starting to offer great alternatives to residents in many states.

Many states and cities are taking action to encourage more choices for consumers.

Video choice is on the horizon for Wisconsin residents, too.

AT&T is committed to bringing consumers a video alternative now. Consumers will greatly benefit from an alternative – with competitive prices, better service, new products.

Let consumers choose whether they want a cable company, a phone company or another provider to be their source for video entertainment. It should be up to them. They should have the choice. It works with cell phones. It works in other states.

In conclusion, I would like to commend the committee for recognizing the importance of this issue by holding today's hearing.

Wisconsin consumers, like consumers around the country, have been waiting for years for alternatives to cable. Finally, these alternatives have arrived. Wisconsin residents want to be and should be among the first to benefit. And they deserve the benefits of competition – as soon as possible.

Approving a video reform bill quickly is a critical consumer issue. Some may try to stop or delay this bill. But delaying video reform means delaying benefits to consumers. It means delaying new products, new services – and consumer savings.

And it would mean delaying what consumers are demanding – they want a real alternative to cable, now.

Thank you again for inviting AT&T to discuss this issue. I'd be happy to answer any questions that you may have.





WISCONSIN CALLS

Customers for Affordable Local and Long Distance Service

February 8, 2007

SB 107?

Senator Jeff Plale, Chairman
Senate Committee on Commerce, Utilities and Rail
State Capitol—Room 313 South
Madison, WI 53702

Dear Senator Plale:

In conjunction with your Committee's informational hearing on the video franchise issue yesterday, Wisconsin CALLS would like to take this opportunity to submit these comments.

As you know, we believe that the video franchise issue should be viewed in the larger context to telecommunications competition generally. **We do not oppose streamlining AT&T's entry into the video market, provided that legislation in this regard adopts adequate consumer protections and addresses other competitive issues in the telecommunications area that are still outstanding.** Protecting consumers and enhancing competition—across video, voice and data—should be the goal of the legislature when it reviews a video franchise bill this session.

1. Consumer Protections

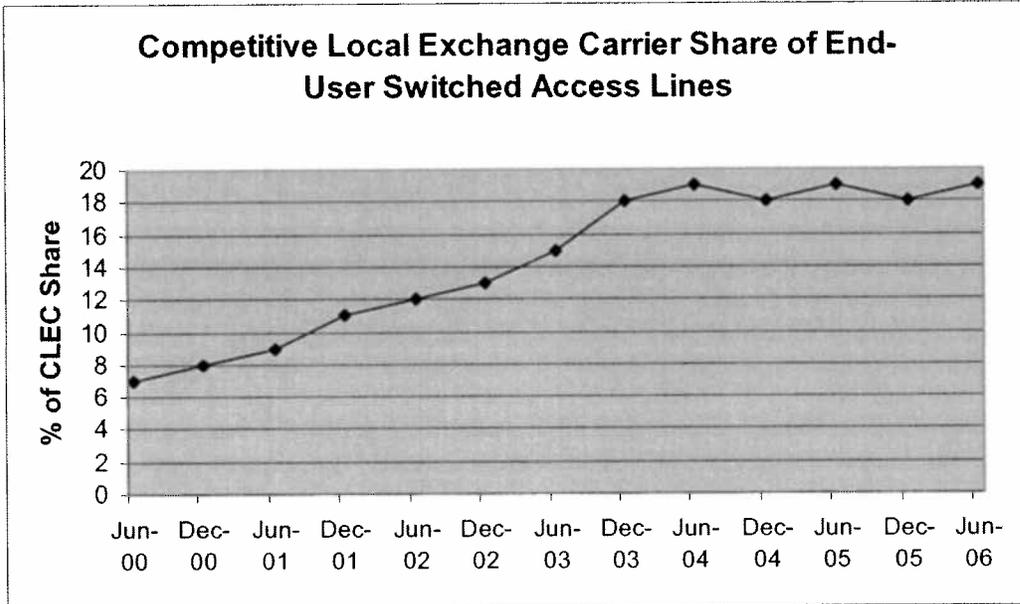
To ensure adequate consumer protection, a video franchise bill should, at a minimum, address the following issues. The Public Service Commission of Wisconsin should administer statewide video franchises and have the power both to resolve consumer complaints, including those related to discrimination and build-out, and to set standards for consumer contracts and service. Video service providers should be prohibited from denying access to their video service to any group of potential residential subscribers because of income, race or religion, and video service rates must be uniform. With respect to build-out, telecom video service providers should be required to offer video service to a reasonable number of customers within an appropriate amount of time. Finally, video franchise legislation should preserve existing Public, Educational, and Government Access ("PEG") channel opportunities for communities and their citizens.

2. Advancing telecom competition

For those companies providing competition through wireline services, the market has stalled. Since 2003, competitors' market-share has hovered between 18 and 19%.

AARP Wisconsin • Citizens Utility Board • Wisconsin Alzheimers Association • Wisconsin Association of Accountants, Inc.
Wisconsin Independent Businesses, Inc. • Wisconsin Local Government Telecommunications Coalition
Wisconsin Rental Housing Legislative Council • Wisconsin Retired Educators' Association • Covad Communications Group • McLeodUSA
Norlight Telecommunications • Northern Telephone & Data • Powercom • TDS Metrocom • Time Warner Telecom

P.O. Box 1443, Madison, WI 53701 • Phone: (608) 204-0065 • Fax: (608) 251-2883 • www.wisconsincalls.org

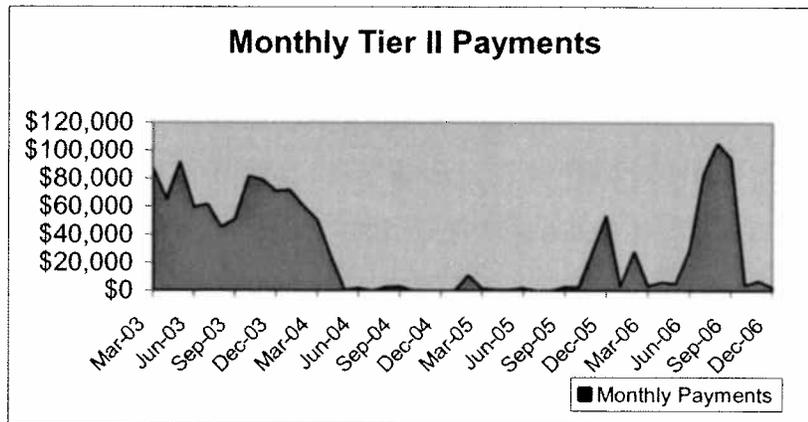


Much of this stagnation is attributable to adverse judicial and regulatory determinations at federal and state levels. To reverse this course, Wisconsin CALLS has proposed three, pro-competitive initiatives that it believes should be included in a video competition bill. These are addressed below.

a. Wholesale service standards and penalties

The competitive telecom companies of Wisconsin CALLS have invested substantially in Wisconsin to build their own networks, but most must still rely on the incumbent AT&T to lease to them “last-mile” facilities to reach retail customers. Competitive telecom companies are thus both wholesale customers and competitors of AT&T. To ensure that AT&T provides adequate wholesale service (and it would have every incentive not to), it is imperative that the Public Service Commission of Wisconsin have authority to impose penalties on AT&T should that company’s wholesale service lag. The Wisconsin Court of Appeals held a few years ago that, as a matter of state law, our Public Service Commission lacked such authority. *Wisconsin Bell, Inc. v. Public Service Commission of Wisconsin*, 267 Wis. 2d 193, 670 N.W.2d 97 (Ct. App. 2003). Referring to his agency’s regulatory authority in this area, PSC Commissioner Bert Garvin said, “We can throw the flag, but we can’t assess yardage.”

The time is now to fix this problem. AT&T is presently negotiating with competitive carriers to change the existing remedy plan in place across the midwestern region. That remedy plan requires payments to both competitive telecom carriers (Tier 1 payments) and to state commissions (Tier 2 payments) if AT&T's wholesale service falls below standards. A chart of Tier 2 payments to the PSCW under the existing remedy plan is shown below.



AT&T is now asserting that state commissions lack the authority to impose Tier 2 payments. AT&T wants to remove state commissions from the picture and have remedy plans be simply bilateral agreements between it and competitive carriers. This is unacceptable given the strong public interest in ensuring a vibrant, competitive telecommunications market and the substantial difficulties competitive carriers would have enforcing their bilateral agreements.

b. Fair Wholesale Pricing



AT&T has offered “winback” pricing to its former customers who have switched to competitive companies. Prior to its merger with AT&T, SBC made one winback offer that practically gave away phone service for \$3.20 a line, excluding usage.

Such an offer was especially harmful to competitors because AT&T charges on average in Wisconsin’s larger cities roughly \$12 monthly at wholesale for its competitors to lease the same line. When one competitive carrier filed a complaint about the \$3.20 offer with our Public Service Commission under our state’s complicated cross-subsidy statute, the result was an expensive,

drawn-out proceeding in which the carrier settled on several issues, but, exhausted, decided to dismiss its complaint on this one point.

What is needed is legislation patterned after a law adopted by the state of Michigan—that, if AT&T charges less at retail than it does at wholesale, the wholesale price should be reduced accordingly. It's simple—and it's fair.

c. Nondiscriminatory access to buildings

When Indiana addressed the video franchise issue, it included in that state's legislation an amendment that prohibits commercial building owners from favoring one telecommunications company over other companies seeking to serve the owner's tenants. Of course, building owners should be permitted to impose reasonable charges, terms and conditions for such access, as long as those requirements are the same for all providers. According to a spokesperson for Time Warner Telecom, the Indiana law has facilitated her company's ability to connect more buildings and customers to its state of the art fiber optic network. It is this type of legislation that will facilitate additional deployment of network that drives economic development for the state of Wisconsin.

In conclusion, Wisconsin CALLS appreciates the opportunity to share with members of the Committee its views on the need to address consumer and other competitive telecommunications issues as part of a broader video franchise bill, and we urge members of the Committee to act on these issues accordingly.

Sincerely,



CURT F. PAWLISCH
Attorney for Wisconsin CALLS

cc: Members of the Senate Committee on Commerce, Utilities and Rail



WAPC



Wisconsin Association of PEG Channels

Serving the needs of public, education, and government cable access television stations since 1998.

2006 - 2007
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River Falls
Community Television

Executive Director
Mary Cardona
608-215-5594
608-233-6148 (fax)
wapc@tds.net

Local Cable Television Franchising WAPC's PEG Language

February 22, 2007

SB 107?

Dear Wisconsin Legislator:

WAPC is a non-profit professional organization with 40 public, education, and government cable access stations members operating one or more channels across Wisconsin. WAPC is aware of an additional 40 stations actively programming channels with locally produced video programming. Collectively, the active stations reach half the population of the state. An additional number of communities use these channels for community message boards.

During this session, it is likely that **State Video Franchise Legislation** will be considered. This legislation is being sought by ATT in order to change a cable TV regulatory system that does not suit its business plan. Currently, cable television is regulated by federal law and implemented with local negotiations. ATT believes it is incapable of competing with cable operators under the current rules and seeks relief from certain requirements. If obtained, this relief would:

1. Excuse all video providers (both cable and telephone) from serving whole communities (in cities with competition in any one neighborhood);
2. Reduce the amount of franchise fees cities receive by more narrowly defining gross revenues upon which the 5% franchise fee is based. (Cities receive compensation from cable operators to use public rights of way to serve private customers.)
3. Excuse video providers from paying for the technical connections needed to carry public, education, and government access channels.
4. Prohibit local governments from negotiating contracts with video providers for support for public, education, and government access channels. Instead, supporting a flat 1% fee for all communities large and small.
5. Eliminate local access channels currently carrying only message boards, only message boards and occasional programming, and those that carry video programming and message boards, but in insufficient amounts to meet a standard. This requirement would disproportionately affect small towns with a small base of franchise revenue.

WAPC supports universal service, competition, locally negotiated franchises, a healthy community media through public, education, and government access channels, lower property taxes that can exceed only through appropriate fees for video providers, and public safety through strong local control over rights of way.

Last month, WAPC distributed a memo to legislators outlining our 12 main issues entitled *Local Cable Television Franchising: WAPC's position on PEG issues*. This memo builds on that one by providing language for each of those issues. In the discussion below the issue is followed by recommended language. For the most part, this language can be found in a draft bill being circulated by the League of Wisconsin Municipalities.

ISSUE 1. PEG support. Many PEG stations currently get a sizable portion of their support from "pass through fees" to cable subscribers. This per subscriber/month fee is on top of the 5% franchise fee. Many small communities depend on larger per subscriber amounts to make access stations a reality.

ISSUE 2. PEG channel capacity. A competitive video provider should designate the same number of PEG channels as the incumbent cable operator.

An incumbent or competitive cable provider or a competitive video provider receiving a franchise through the streamlined process specified in this section shall provide channel capacity and financial support for PEG use as set forth below no later than 180 days after a request by a municipality in which the cable or video service provider is providing services:

The greater of: three PEG channels or the largest number of PEG channels provided by any cable operator providing service in the franchised area as of the effective date of this section.

The greater of: three percent of gross revenues or the greatest value, on a per subscriber basis, of all monetary grants or in-kind services or facilities for PEG access facilities provided by any cable operator in the franchise area in the calendar year preceding the effective date of this section. All such funds shall be available for any purposes permitted under federal law.

ISSUE 3. Additional PEG channels. Local communities should be able to request and receive in a timely fashion up to three PEG channels at any time to meet community needs. Additional channels above three should be granted when a local public, education, or government access channel fills a channel consistently with non-duplicated programming over a set period.

Over the time between renewals, community needs will change and grow. A franchising authority may therefore require a provider to increase the channel capacity designated for public, educational, or governmental use, and the channel capacity designated for such use on any institutional networks required by the greater of 1 channel or 10 percent of the

public, educational, or governmental channel capacity required of that operator prior to the increase.

ISSUE 4. PEG channels should be carried on the lowest cost tier. Subscribers should be able to receive PEG channels using the equipment provided to receive the lowest cost tier.

An incumbent or competitive cable provider or a competitive video provider receiving a franchise through the streamlined process specified in subsection (7) shall ensure that any PEG programming carried by the applicant is available to all subscribers in the franchise area on the lowest cost tier.

ISSUE 5. PEG programming transmission. The video provider should be responsible technically and financially for making PEG signals compatible with its system.

ISSUE 6. Live origination points. The video provider should be responsible for technically carrying live programming signals as needed from public buildings, such as council chambers and high school auditoriums, designated by local authorities.

The competitive cable or video provider bears the responsibility for providing at an origination point a composite video and audio signal consistent with the federal communications commission NTSC transmission standard. The competitive cable or video provider shall also be responsible for the transmission of the programming from the signal origination point (or points), or from the point of interconnection with another franchised cable or video provider, to its subscribers; of any PEG programming produced by or for the franchising authority and carried by the cable operator pursuant to this section.

ISSUE 7. PEG content. Content carried on PEG channels should continue to be free of any interference from the video provider.

Designating a "channelholder" pursuant to this section shall be the responsibility of the municipality or county receiving the benefit of such capacity. Program producers are solely responsible for the content of programming.

The production of any programming provided under this subsection shall be the responsibility of the franchising authority or its delegee.

ISSUE 8. PEG channel numbers. All video providers should carry the PEG channels on the same channel numbers. PEG channel numbers should not be changed without the agreement of the local franchise authority.

The PEG channels shall all be carried on the lowest cost service tier. To the extent feasible, the PEG channels shall not be separated numerically from other channels carried on the basic service tier and the channel numbers for the PEG channels shall be the same channel numbers used by the incumbent cable operator unless prohibited by federal law. After the initial designation of PEG channel numbers, the channel numbers shall not be changed without the agreement of the local entity unless the change is required by federal law.

ISSUE 9. PEG program schedule. The video provider should carry the program schedules of PEG access channels both electronically and in print as they carry the programming for the commercial channels.

Each provider shall display the program information for specific PEG programs carried under this subsection in any print or electronic program guide in the same manner in which it displays program information for other video programs in the franchise area. No provider shall omit such PEG programming from any navigational device, guide, or menu containing other video programming that is available to subscribers in the franchise area.

ISSUE 10. Interconnection with other systems. Video providers should negotiate in good faith to interconnect with other systems in the community for the purpose of carrying access channels.

Unless all providers otherwise agree to the terms for interconnection and cost sharing, each provider shall bear its own expenses for the interconnection between two providers in a franchise area for transmission of PEG, without material deterioration in signal quality or functionality.

ISSUE 11. Licensing fees. If the video provider carries licensed programming beyond the jurisdiction for which it was purchased, the video service provider should pay the incremental increase in cost of the license.

If the video provider carries licensed programming beyond the jurisdiction for which it was purchased, the video service provider shall pay the incremental increase in cost of the license.

ISSUE 12. Retain some certainty. It is difficult to operate an access station with the legal situation in flux. State legislation could remedy this by requiring video providers to continue providing all services, such as cable service drops, I-Net support, and PEG support, until the expiration of the franchise or until a specific date.

All obligations to provide and support PEG channel facilities and institutional networks and to provide cable services to community buildings contained in a locally issued franchise existing on December 31, 2006, shall continue until the local franchise expires or until January 1, 2011, whichever is later.

Additional issues: Two issues were not mentioned in the previous memo: **use of advertising and channel use.**

ISSUE – Advertising. Advertising in some form, will become more important if support for PEG is limited through franchise agreements.

The PEG channels shall be used only for noncommercial purposes. However, advertising, underwriting, or sponsorship recognition may be carried on the channels for the purpose of funding PEG-related activities.

ISSUE – Channel use. Reasonable standards for the use of a channel are also important.

A PEG channel is deemed activated if it is being utilized for locally produced video programming within the municipality for at least four hours per day. For the purposes of this section, "locally produced video programming" means programming produced or provided by any local resident, the local entity, or any local public or private agency that provides services to residents of the franchise area; or any transmission of a meeting or proceeding of any local, state, or federal governmental entity.

Any PEG channel provided pursuant to this section that is not utilized by the local entity for at least four hours per day as measured on a quarterly basis may no longer be made available to the local entity, and may be programmed at the holder's discretion. At the time that the local entity can certify to the holder a schedule for at least four hours of daily

programming, the holder of the state franchise shall restore the channel or channels for the use of the local entity.

WAPC would like to work with both the Assembly and the Senate utility committees on their bills so that this legislation supports public, education, and government access channels. WAPC will continue to provide background material on these issues in the coming weeks.

If you have any questions, please contact me at 608-215-5594 or wapc@tds.net.

Sincerely,

A handwritten signature in cursive script that reads "Mary Cardona". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Mary Cardona
Executive Director



1320 N. Dr. Martin Luther King, Jr. Drive
Milwaukee, WI 53212-4002
Tel 414-277-4190
Fax 414-908-0327
bev.greenberg@twcable.com

Bev Greenberg
Vice President
Public Affairs



February 23, 2007

SB 107?

Senator Jeff Plale
State Capital
313 South
Madison, WI 53703

Dear Senator Plale:

Thanks so much for taking the time to meet with Celeste Flynn and myself yesterday. It is always a pleasure to talk with you and Katie Venskus and I very much appreciate your expert advice and counsel on what we can do to help inform your colleagues on this issue.

We appreciate your leadership as Chair of the Senate Committee on Commerce, Utilities and Rail. Your thoughtful and carefully executed Public Hearing was educational and enlightening.

If there is anything we can do to assist you, please do not hesitate to call.

Sincerely,


Bev Greenberg
Vice President Public Affairs