

The Honorable _____ [your U.S. Representative]
House Office Building
Washington, DC 20515

via mail and facsimile

Dear Representative _____:

Please preserve cable franchising, localism and Michigan's Metro Act in any rewrite of our telecommunications laws to address Internet Protocol (IP) services. The fact that Internet Protocol technology can be used to provide video IP services does not change the fact that to the customer it is like conventional cable service and is provided over wires located in the public rights of way. We still need to protect our streets, our residents need the benefits and protections provided by cable franchises, and these need to be enforced locally, not by some bureaucrat in Washington.

Currently cable-type companies must obtain franchises from each municipality they serve. Both we and our residents need the protections cable franchises provide. For example franchises:

- Ensure that we can manage the streets so that all types of users (cars, pedestrians, utilities) can use them with the least amount of interference with other users, including compliance with safety codes. These provisions are tailored to our local situation.
- Require providers to repair streets they harm, and relocate lines at their expense when streets are straightened or widened.
- Require bonds, insurance and other security so our city and residents are protected if the provider causes damage or (in a competitive environment) goes out of business.
- Prohibit redlining or similar discrimination, and require all areas with a certain number of homes per mile to be served, and served promptly (no long delays in serving minority areas).
- Require cable channels (miniature C-SPANs) for local units of government, schools, and public access and funding from the cable company to support such channels.
- Provide compensation (franchise fees) to our municipality for the provider's use of public property, and audits to ensure the correct amount is paid
- Set forth customer service protections and enforcement mechanisms, including having our municipality resolve customer disputes when problems arise.
- Require the carriage of local emergency alerts which are not carried on the federal emergency alert system.

These types of provisions have been in cable franchises for 50 years, work well, are needed, and must be continued. For example, we still have to manage the rights of way, no matter what technologies are used in wires placed there. Through the franchising process, we are able to prevent redlining and assure that all our residents get cable service (excluding only thinly populated areas). We determine how many channels and what funding are needed for government, education and public channels, and whether and when such channels should be shared or reallocated. Similarly, we set and enforce customer service provisions based on our situation and the problems our citizens tell us they are having—from not answering the phone on

time to leaving the cable drop to the house lying on the ground where people can trip on it.

We set these franchise terms so they meet our unique, local situation. There is no national "one size fits all". Similarly, enforcement of these provisions has to be local—the provisions are essentially meaningless if we or a customer has to go to the FCC in Washington to enforce them. The FCC cannot manage local rights of way, inspect a street the cable company dug up and poorly repaired, or help a customer who has been overcharged or denied service.

Having two companies (cable company and now the phone company) providing cable service does not remove the need for these provisions because having two near monopoly suppliers is not real competition. For example, real competition in cell phone rates and service only occurred in the last few years when the number of providers expanded beyond the initial two providers. And competition does not remove the need for municipalities to manage the rights of way, prevent redlining, have government channels, provide for local emergency alerts, and receive franchise fees, etc. So IP technologies do not remove the need for the city, consumer and public protections that franchises provide.

Overall, IP is simply the latest in a series of technologies that providers have used. In the 1950's and 60's they had 8-channel systems using vacuum tubes and analog technologies to provide "I Love Lucy" and local TV stations. With IP you will still have local TV stations, and "I Love Lucy" as a rerun. And IP providers still use the streets for their wires— in fact, the phone companies will have to replace many of their lines in the streets to provide IP services. So with IP the basic nature of cable TV and need for local franchises is the same, even though the technology is improved.

Many of these cable type franchise protections are needed for IP broadband service as well. For example, the only reason broadband services are broadly available in many communities is because the main provider is the cable operator, and that company's cable franchise typically requires it to provide service throughout the community. By contrast, some phone companies such as SBC are proposing to construct their broadband system so as to provide services to only a portion (50%-60% of residents) in the communities they serve. Such redlining is not acceptable. Just as with cable, municipalities must be able to prevent redlining and make sure that the information superhighway, just like regular highways, is available to all their residents.

Finally, in Michigan in 2002 Governor Engler, municipalities and telecommunications providers agreed on a statute, the Metro Act, setting statewide rules and a state fee all phone companies must pay to have telecommunications lines in the rights of way. The Metro Act has worked well, and has aided the new telecommunications companies to provide competition. In return the phone companies including SBC and Verizon collectively pay about \$20 million/year in funding to use the streets as partial compensation for the harm they cause the streets. This funding by law is then apportioned among all Michigan municipalities, and can only be used on street work and repairs. Any legislation should not exempt IP providers from the Metro Act. That will assure that telephone companies are treated the same, whether or not they provide

Internet Protocol Services. And, with Michigan's poor budget situation, we badly need these funds to help keep our streets in good repair.

For these reasons, we ask you to support the continuation of cable-type franchising for cable and broadband services and compliance with Michigan's Metro Act.

Sincerely,

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