

July 9, 2008

Tennessee Regulatory Authority
ATTN: Docket Room (08-00115) Lisa Cooper
460 James Robertson Parkway
Nashville, TN 37243

RE: Response to TRA Regarding AT&T Tennessee Application for Certificate of Franchise

Dear Ms. Cooper,

The City of Murfreesboro is in receipt of your letter dated July 3, 2008 in which TRA is requesting information as it relates to the Competitive Cable and Video Services Act and AT&T Tennessee application for a certificate of franchise.

(A) The number of activated PEG channels for such municipality or county, as well as the number authorized to be activated, if different.

- One activated government access channel for use by the City of Murfreesboro
- Two activated education access channels for use by Middle Tennessee State University
- One authorized to be activated education access channel for use by the Murfreesboro City Schools.
- One additional authorized to be activated government access channel for use by the City of Murfreesboro when requested and whenever the activated governmental access channel is programmed with Qualified Programming at least eighty percent (80%) of the cumulative time for sixty (60) consecutive hours. All Qualified Programming shall count in this measurement for the actual running time shown.

(B) The terms of any PEG support payments being provided by the service provider.


- Comcast paid to the City of Murfreesboro \$375,000 on the Effective Date of the Franchise (June 1, 2003) and \$375,000 within 6 months of the Effective Date of the Franchise as a Government Access Channel Grant.

- Additionally Comcast will pay to the City up to \$100,000 upon determination by the City Council at any time between the commencement of year 5 and the end of year 10 of the Franchise for the purpose of PEG equipment purchase. It should be noted that the City has not requested the additional payment for PEG equipment at this time as the franchise just entered into year 5.

The City would also like to point out at this time that Comcast, through our local franchise agreement, provides the City with an institutional data network. This is funded by Comcast via a line item per subscriber charge which is currently .32 cents per month. The local franchise is a 15 year agreement.

Please let me know if you have any additional questions.

Sincerely,


Tommy Bragg
Mayor

CITY ATTORNEY
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T.R.A. DOCKET ROOM



July 14, 2008

Tennessee Regulatory Authority
ATTN: Docket Room 08-00115
460 James Robertson Parkway
Nashville, TN 37243-0505

Attention: Lisa Cooper

Re: Notice of TRA Request for Information

Dear Ms. Cooper:

In regard to the above referred matter, I reference your letter of July 3, 2008, and enclose that herewith. At the fax number shown on that letter, I am sending a copy of your July 3, 2008 letter for reference purposes, and a photocopy of a portion of Ordinance 87-2004-05, Section 13, the ordinance which adopts the franchise agreement between the City of Clarksville and Charter Communications II, LP (Section 13 only).

The City of Clarksville would assert that we may claim as having reserved and hold the right of one activated PEG channel and that the terms of our PEG support payments are as found therein under an agreement which extends through 2010 with Charter Communications II, LP.

I am also placing in the U.S. Mail on this same date a copy of your July 3, 2008 correspondence, a full copy of Ordinance 87-2004-05, and the original of this letter now faxed to your office.

We believe this complies with Public Chapter 932 and our response as required based upon the application of Bell South Telecommunications, Inc. received by your office. Would you please advise if you believe supplemental information is necessary?

I am,

Sincerely,

W. Timothy Harvey

WTH:dhj

Lisa Cooper **Page Two** **July 14, 2008**

Enclosures – Lisa Cooper 7-3-2008 Letter
Ordinance 87-2004-05

TENNESSEE REGULATORY AUTHORITY

July 3, 2008

460 James Robertson Parkway
Nashville, Tennessee 37243-0505City of Clarksville
ATTN: Mayor Johnny Piper
One Public Square
Clarksville, Tennessee 37040**RE: NOTICE of TRA Receipt of Application for Certificate of Franchise Authority and
OFFICIAL REQUEST for Information**

Dear Mayor Piper:

On July 1, 2008, Public Chapter 932,¹ also known as the Competitive Cable and Video Services Act (the "CCVSA"), which was enacted by the 105th Tennessee General Assembly became effective. Pursuant thereto, on July 1, 2008, the Tennessee Regulatory Authority ("TRA" or "Department") received an application for a state-issued certificate of franchise authority to provide cable or video service in your municipality or unincorporated area from BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee ("AT&T").

In addition to conferring certain benefits, the CCVSA imposes specific obligations upon applicants, municipalities and counties, and the TRA. First, pursuant to § 6(a) and § 18(1) of the CCVSA, the applicant/service provider is required to provide a notice, contemporaneously with the filing of its application for a state-issued certificate of franchise authority with the TRA, to the local governments encompassed within its intended service area. Therefore, as an initial matter, you should have already received a notice from AT&T advising that it has filed such an application with the TRA.

Next, in order for the affected local governments to receive or continue receiving certain benefits related to public, educational, and governmental ("PEG") access channels, § 10(a) of the CCVSA states,

A county or municipality shall, within ten (10) days following receipt of an application for a state-issued certificate of franchise authority from a cable or video service provider seeking approval to provide cable or video service to the county or municipality, provide notice to the [TRA] regarding the number of [PEG] access channels. . . that have been activated and are authorized to be activated and the amount of any fee or other payment for PEG support required under the terms of the franchise agreement with the incumbent cable service provider with the most subscribers in the municipality or county on January 1, 2008, whether or not such agreement had expired. . .²

Further, § 15(b)(1) of the CCVSA requires the TRA upon receipt of an application for a state-issued certificate of franchise authority to notify all municipalities or counties identified as part of the applicant's service area to obtain certain information related to PEG access channels. The TRA is required to "compile and keep current the information it receives from municipalities, counties, or local

¹ 2008 Tenn. Pub. Acts 932.

² CCVSA § 10(a).

governments for the use of holders of state-issued certificates of franchise authority³ and the Tennessee General Assembly.

IT IS IMPORTANT TO NOTE THAT, according to the CCVSA, if a municipality or county fails to provide PEG information after being requested to do so by the TRA, a holder of a state-issued certificate of franchise authority shall not be held in violation or noncompliance with the requirements of § 10 of the CCVSA, as to any such municipality or county, until the TRA has received the information requested and the holder has been given adequate time to comply with such PEG provisions.⁴ A notice in compliance with the requirements of § 10(a) of the CCVSA acts to trigger the franchise authority holder's obligation to make PEG access support payments,⁵ starts the clock running on the deadline for designating PEG channels,⁶ and initiates any other duties or obligations required of the state-issued franchise authority holder encompassed within § 10 of the CCVSA.

In light of the provisions of the CCVSA noted above, it is imperative that you respond promptly to this Notice by providing the TRA with the following information:


- (A) The number of activated PEG channels for such municipality or county, as well as the number authorized to be activated, if different; and
- (B) The terms of any PEG support payments being provided by the incumbent service provider.⁷

Please send the above information to:

Tennessee Regulatory Authority
ATTN: Docket Room (08-00115)
460 James Robertson Parkway
Nashville, TN 37243

If you have already forwarded this information to the TRA upon receipt of the notice from the applicant service provider in accordance with § 10(a) of the CCVSA, please disregard this request. Should you have any questions or concerns regarding this matter, please feel free to contact me at (615) 741-2904 x150 or at the address listed above. Thank you for your cooperation and prompt attention in this matter.

Sincerest Regards,



Lisa Cooper
TRA Programs Manager

³ CCVSA § 15 (b)(2).

⁴ CCVSA § 15 (b)(2).

⁵ See, CCVSA § 10(j).

⁶ Pursuant to § 10(b) of the CCVSA, a state-issued franchise holder must designate PEG channels within 90 days of beginning to offer service.

⁷ CCVSA § 15(b)(1).

C. Grantee shall make available to a duly authorized representative of the Franchising Authority, upon written request, its books and records to examine, audit, review and/or obtain copies of the papers, books, accounts, documents, maps, plans and other records of Grantee pertaining to compliance with its franchise. Grantee shall provide electronic copies of its books and records if available, and paper copies if electronic copies are not available. Grantee shall fully cooperate in making available its records and otherwise assisting in these activities. Grantee may require the Franchising Authority, or any of its employees, agents or representatives who will have access to such information to sign a confidentiality agreement prior to the release of any of this information. The confidentiality provisions in Sec. 12.3 shall also apply in situations under Sec. 12.2. The Franchising Authority shall, in good faith, make every effort to accommodate Grantee by viewing on Grantee's premises, such data or documents that Grantee identifies as being of a highly competitive or of a confidential or proprietary nature, provided however, Grantee shall provide Franchising Authority at Franchising Authority's place of business or other designated location, with such financial documents as are reasonably necessary for the Franchising Authority to conduct an audit to determine the accuracy of past franchise fee payments.

12.3 Inspection of Records. Grantee shall permit any duly authorized representative of the Franchising Authority, upon receipt of advance written notice to examine during normal business hours and on a nondisruptive basis any and all records as is reasonably necessary to ensure Grantee's compliance with the Franchise. Such notice shall specifically reference the subsection of the Franchise that is under review so that the Grantee may organize the necessary books and records for easy access by the Franchising Authority. The Grantee shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years, except for service complaints, which shall be kept for two (2) years as specified in Section 12.2.A and Exhibit A.14, and franchise fee revenue detail, which shall be kept as specified above in Section 10.4. The Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act. The Franchising Authority agrees to treat as confidential any books; records or maps that constitute proprietary or confidential information to the extent Grantee make the Franchising Authority aware of such confidentiality. If the Franchising Authority believes it must release any such confidential books or records in the course of enforcing this Franchise, or for any other reason, it shall advise Grantee in advance so that Grantee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the Franchising Authority agrees that, to the extent permitted by state and federal law, it shall deny access to any of Grantee's books and records marked confidential, as set forth above, to any Person.

SECTION 13

Community Programming

13.1 Service to Schools and Buildings. The Grantee shall continue to maintain, without charge, one outlet to each State accredited Public School, located in the Service Area served by the Cable System and will provide free Basic and Expanded Basic Cable Service, for so long as the Cable System remains in operation in the Service Area. Any such school may install, at its expense, such additional outlets for classroom purposes as it desires, provided that such installation shall not interfere with the operation of Grantee's Cable System, and that the quality and manner of installation of such additional connections shall have been approved by the Grantee and shall comply with all local, State and federal laws and regulations. In addition, the Grantee shall furnish to the Franchising Authority, without installation or monthly charges, one outlet to each

Police and Fire Station, and to any owned and occupied administration building of the Franchising Authority, hereinafter referred to Public Buildings. All such Public School buildings and Public Buildings currently in existence as of the Effective Date of this Agreement shall be listed in Exhibit B of this Agreement. In recognition of the contribution that the Grantee is providing to the Franchising Authority with such free services, Grantee shall be entitled to place a sign in the public facilities that identifies Charter's contribution and to mention such contribution in any marketing or publicity materials that Grantee provides to its customers. Grantee shall provide such free service as described above to any new constructed school or public building within six (6) months of Franchising Authority's request, provided such building is within 150 feet of Grantee's Cable System.

13.2 Limitations on Use. The Cable Service provided pursuant to this Section shall not be used for commercial purposes and such outlets shall not be located in areas open to the public. The Franchising Authority shall take reasonable precautions to prevent any use of the Grantee's Cable System that results in the inappropriate use thereof or any loss or damage to the Cable System. The Franchising Authority shall hold the Grantee harmless from any and all liability or claims arising out of the provision and use of Cable Service required by subsection 13.1 above. The Grantee shall not be required to provide an outlet to any such building where a standard drop of more than 150 feet or additional electronics are required, unless the Franchising Authority building owner/occupant agrees to pay the incremental cost of any necessary extension or installation.

13.3 Public, Educational and Government (PEG) Funding. PEG funding shall be negotiated by the Franchising Authority and Grantee, pursuant to applicable law, as part of renewal negotiations pursuant to Sec. 13 herein. Every effort shall be made to do so when the rest of the Renewal Franchise Agreement is negotiated and to incorporate said funding provisions in the Renewal document from its onset. However, if the Franchising Authority is unable to assess the PEG-related needs of the community at the time of the aforesaid negotiations, then it may in one instance only conduct PEG funding negotiations with Grantee at any time within the first half-term of this Franchise Agreement upon three (3) months' prior written notice to Grantee, it being understood that most of the agreed upon funding shall, at Grantee's sole discretion, be payable during Grantee's subsequent fiscal year.

The parties shall endeavor in any negotiations, initial or delayed, to agree upon an amount of PEG funding that when amortized over the term or remaining term of the Franchise Agreement and passed through to the customer on customer bills, will satisfy the community's demonstrated PEG-related needs while not unduly burdening the customer or impairing Grantee's competitiveness in the marketplace. Any delayed PEG funding negotiations shall be conducted with the same good faith, best efforts, expeditiousness and adherence to law as PEG funding negotiations conducted at the time of renewal.

13.4 Access to the System. Franchising Authority reserves the right to require Grantee to provide one channel on the Cable System for use by the Franchising Authority for non-commercial, video programming for public, education and government access programming, upon six (6) months written notification.

13.5 In the event that Franchising Authority exercises its right under Section 13.4, then Grantee shall construct a dedicated fiber line for the Franchising Authority to transmit EG Channels from the City Administration building. The Franchising Authority shall be responsible for reimbursing Grantee its actual out of pocket costs for labor and materials and any pole make-

ready charges if applicable, for constructing the aforementioned dedicated fiber line. Grantee shall furnish and maintain at its own expense the necessary transmission equipment but not cameras, editing, playback equipment or any other equipment the Franchising Authority may need in order to create programming on the Franchising Authority's EG channels.

13.6 City Council Meetings. Until such time as the Franchising Authority exercises its right under Section 13.4, Grantee agrees to continue to film at Grantee's expense, all regularly scheduled City Council work sessions and regular council meetings, should the franchise authority elect to enter into a franchise agreement with an additional provider of similar products and services or an unfranchised multi-channel video provider operated in the city, level playing field guidelines as addressed in Section 2.3.1 would apply. Regular meetings are scheduled on the first Thursday of each month and the work sessions are the preceding Monday. Franchising Authority, at its sole discretion, may decide to limit filming to only regularly scheduled meetings. Grantee agrees to insure that all meetings are rebroadcast at least two (2) times at Grantee's expense, on a mutually agreed upon schedule as determined by the Franchising Authority and Grantee. Grantee also agrees that each meeting will be broadcast in its entirety with video and audio of a quality commensurate with standard local origination production qualities.

SECTION 14

Enforcement and Revocation

14.1 Notice of Violation. If the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, the Franchising Authority shall first informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem, the Franchising Authority shall notify the Grantee in writing of the exact nature of the alleged noncompliance.

14.2 Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the notice described in subsection 14.1 to (i) respond to the Franchising Authority, contesting the assertion of noncompliance, or (ii) to cure such default, or (iii) if, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed.

14.3 Public Hearing. If the Grantee fails to respond to the notice received from the Franchising Authority pursuant to the procedures set forth in subsection 14.2, or if the default is not remedied within the cure period set forth above, the Board shall schedule a public hearing if it intends to continue its investigation into the default. The Franchising Authority shall provide the Grantee at least twenty (20) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, notice of which shall be published by the Clerk of the Franchising Authority in a newspaper of general circulation within the Franchising Authority in accordance with subsection 15.5 hereof.

14.4 Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after the hearing set forth in subsection 14.3 above, determines that the Grantee is in default of any provision of the Franchise, the Franchising Authority may:
Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or