CITY OF KNOXVILLE



BILL HASLAM, MAYOR

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Information Systems
Janet H. Wright
Director

T.R.A. LUDILLY ROOM

April 15, 2009

Tennessee Regulatory Authority ATTN: Docket Room (08-00208) 460 James Robertson Parkway Nashville, Tennessee 37243

RE: Response for Information Regarding Knology's Application for a State Franchise

Dear Sir or Madam:

In order to continue to receive or continue to receiving certain benefits related to public, educational, and governmental (PEG) access channels, the City of Knoxville provides the following information to the Tennessee Regulatory Authority (TRA) request for information dated November 12, 2008.

A. The number of activated PEG channels in the City of Knoxville is two (2) and that is the number authorized under the expired local franchise agreement with Comcast, the largest incumbent provider.

The additional cable provider, Knology, has a current local franchise that provides for two (2) additional PEG channels outside of first tier programming. This franchise also provides the City with a first tier channel to be used exclusively for educational purposes. None of the aforementioned channels are activated.

B. The expired Comcast franchise provided PEG monetary support commencing in 1992, thirty-five thousand dollars (\$35,000) and increasing 5% per year. The last payment made in 2008 was \$76,400.

The Knology local franchise commencing in 2000, provided an initial operating budget contribution of Twenty-Six Thousand Seven Hundred Fifty Dollars (\$26,750) with a 5% increase per year. A capital equipment replacement fund was also established to contribute Seven Hundred Thirty-Nine Dollars (\$7,730) to be increased by 5% on the anniversary of the franchise.

Comcast and Knology collectively paid approximately \$155,000 for PEG support last year.

If clarification or further information is needed, please contact the undersigned.

Sincerely,

Janet H. Wright

Director Information Systems

CC: Ronald Mills