SENATOR BILL KETRON
MAJORITY CAUCUS CHAIRMAN

LEGISLATIVE OFFICE
5 LEGISLATIVE PLAZA
NASHVILLE, TENNESSEE 37243-0213
(615) 741-6853
FAX (615) 253-0282
sen.bill.ketron@capitol.tn.gov

DISTRICT OFFICE
805 S.CHURCH ST., #12
MURFREESBORO, TN 37130
(615) 896-5440

Senate Chamber
State of Tennessee
NASHVILLE

13TH SENATORIAL DISTRICT
LINCOLN, MARSHALL, MAURY AND PART OF RUTHERFORD COUNTIES

COMMITTEES
MEMBER: FINANCE, WAYS & MEANS
MEMBER: STATE & LOCAL GOVERNMENT
MEMBER: TRANSPORTATION

August 2, 2012

Hon. Kenneth C. Hill, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Complaint of Community Television of Knoxville*
Docket No. 12-00082

Dear Chairman Hill:

As the sponsors of the 2008 Competitive Cable and Video Services Act, we are writing in regard to the complaint filed by the City of Knoxville regarding encoder equipment for Public, Education and Government (PEG) channels. Based on our review of the City's complaint, the city's position is based on a misinterpretation of the relevant provision of the Act, which we find surprising considering the clear language of the statute. That language was the result of months of negotiation with all stakeholders, including local government, and the resulting compromise was clearly understood. The interpretation of the statute in the City's complaint is not what was agreed on by the legislators who debated and finally decided on what the statute would include.

We want the Authority's file in this docket to reflect that our intent in this legislation was to strike the appropriate balance between municipalities and new providers to ensure that costs relating to PEG would not be a barrier to entry by new providers using new technology. To accomplish that balance, it was our intent that providers would be required to supply an encoder, but providers would ***not*** be required to maintain that equipment. Municipalities are in the best position to maintain that equipment. In fact, we decided it would be unreasonable to require video providers to maintain equipment outside of their possession. The cities receive a generous franchise fee from providers. It was our intent that repair and maintenance of PEG equipment be funded from these fees.

We believe the language of the statute – which does not include the term "maintain" – is clear.

Please include this letter in your record for this matter.

Sincerely,

Bill Ketron, Senator
Chair, Republican Caucus

Steve McDaniel, Representative
Deputy Speaker