



CITY COUNCIL ACTION REPORT

February 24, 2009

TO: Phillip L. Nelson, City Manager

FROM: Cindy Stewart, Community Affairs Director

SUBJECT: **PEG Channel Protection in response to FCC Public Notice DA 09-203**
(CSR-8126, CSR-8127, CSR-8128, MB Docket No. 0913)

The Michigan Municipal League has recently brought to light a public notice from the Federal Communications Commission (FCC) for seeking comments regarding our Public, Education, and Governmental (PEG) programming by March 9, 2009. The FCC has opened a case on preserving the quality and financial viability of PEG channels. The case will be addressing the City of Lansing Petition (CSR-8127) and the Alliance for Community Media petition (CSR-8126) which challenge AT&T's system for PEG channels viewed as Internet streaming videos and other problems, and the Dearborn/Meridian Township petition (CSR-8128) asking Comcast to preserve the existing locations of our PEG channels, instead of moving them to the 900 channel series.

This is a nation-wide issue and it is of vital importance that we let the FCC know about the value and commitment of our PEG channels and the benefits these programs provide to the community. The fear is that if we do not make our comments known to the FCC, our inaction will be interpreted as an indifference to the viability of our PEG programming.

In Troy, we have very successful government, education and public PEG programming channels, WTRY, TSTV and CMN, respectively. These PEG stations provide a myriad of essential public service programs and resources to the community. Our local PEG stations and PEG funding provide equipment used to produce special programs like the MLK Day Celebration of Freedom, Talking History series, Christmas Tree Lighting Ceremony, Troy Daze Concerts, Spotlight on Troy, Troy Library and Troy Museum concerts and lectures. We also produce educational programs, interviews and coverage of City Council, Planning Commission, and other Board Meetings. The School District produces programs on their sporting events, school concerts, special events and the School Board Meetings. CMN has a variety of programs and interviews on a wide range

of topics related to business and recreation. These are just some of the many community-oriented programs that the residents and businesses of Troy rely on to keep abreast of what's happening in the community. Additional information regarding the quality of Troy PEG programming information can be found at the following locations on the Internet and video TV services:

Public: <http://www.cmntv.org> Comcast channel 52; WOW channel 18
Education: <http://www.troy.k12.mi.us/tstv> Comcast channel 58; WOW channel 15
Government: <http://www.troy.mi.gov/communityaffairs> Comcast channel 53; WOW channel 10

The loss of the distribution systems provided by the video cable service providers would eliminate our ability to broadcast these community programs. The loss of the franchise fee would eliminate our ability to fund these programs and community services. Voicing our objections relative to AT&T and Comcast for making it more difficult or expensive for our PEG stations to continue these programs or inhibiting access to these programs is the main reason for bringing these issues to the attention of the FCC.

Support of CSR-8126 and CSR-8127. There are several issues with the AT&T U-Verse system and the method of distribution of our PEG channels to our residents and businesses. AT&T claims it is a better service than commercial channels, but the web-streaming quality is much less than what the commercial channels are provided. AT&T has made it difficult and cumbersome to select PEG channels as provisioned separately from the normal channel line-up and are located in a complex menu selection program. It is difficult to switch back and forth between the other channels, or make recordings of the programming to a DVR and the service lacks support for closed captioning and other SAP features.

AT&T also has a requirement where each entity and source of PEG programming must incur the cost and installation fees for a dedicated communication link for sending the programming to AT&T. This means that each public, education and governmental broadcast station and at any other location where programs are being broadcast or produced, need to have a dedicated communication link to AT&T. In our community, Comcast and WOW both provide the communication links at no cost. The added expense in addition to all the other problems, are very distressing issues to deal with, especially during these tough economic times.

AT&T's U-Verse video service was issued its first permit for build-out in 2005 and AT&T has approximately 40-50% coverage in Troy. Our PEG programming is currently not available on the channel lineup. December 2007 we had a meeting with AT&T's Carmen Johnson, and technicians Scott Alexander and Galvin Getts. Representatives of WTRY, TSTV and CMN were also contacted regarding the many issues and concerns with the AT&T solution. During the meeting we discussed the current status of the U-Verse project and what is needed to make our PEG programming available on their system and how it all works. What we found out during the demonstration of the PEG solution,

is that PEG programming has been handed a huge disadvantage to public accessibility and to add insult to injury, it will cost us thousands of dollars just to be able to broadcast low quality streaming video on the new U-Verse system. Commercial quality channels are not available to PEG programming.

A summary of the PEG service issues regarding AT&T are as follows:

AT&T U-Verse:

1. **Dedicated T1 and Router for streaming broadcast to AT&T.** An ip-based web-streamed broadcast which meets AT&T's approved specifications must be transmitted via a dedicated Internet connection. The cost and provisioning of a dedicated circuit, with has the minimum specifications similar in scope to a T1, is at the expense of the PEG facility. Each PEG facility/studio and any broadcasting location will have to provide the same connectivity. For Troy, this means the school district station TSTV, the Government Station WTRY, and the Public Station broadcasting at CMN will each have to provide their own dedicated T1 line and Router.
2. **Broadcast Monitoring.** At this point in time, the capability to monitor the broadcast at City Hall is unavailable as AT&T U-Verse is not yet located in this area of Troy.
3. **PEG Provisioning.** This is not like an ordinary TV station and neither is the quality. If you are looking to watch your kids' soccer or baseball game at 1 pm, changing the channel and tuning into the program isn't as easy as turning to channel 10. The AT&T PEG solution is a web-streaming version similar to the low quality video you would find on the Internet. All PEG channels from every community throughout the broadcast area are on the same menu. Residents looking for our PEG channels are forced to scroll through an alphabetized menu. Most communities have three channels, so 30 communities could have a listing of 90 entries altogether. It will take a few minutes to scroll down through all the PEG listings.
4. **Other issues.**
 - It doesn't allow closed captioning, or a second audio.
 - It's a computer based software program that handles the customer interface and it takes extra time to load the application before it is usable.
 - Incompatible with programmed recording devices like TiVo. If you wanted to program your DVR or VCR to record the program, forget about it.
 - Excluded from program guides and listings.
 - Regional availability, coverage and project completion is unknown.

Support of CSR-8128. On January 7, 2008, the Troy City Council passed a resolution asking Comcast to preserve the existing channel locations for our public, education and government access channels and that no undue cost is associated with basic access to the PEG channels. The resolution also requested that Public Act 480 of 2006 be amended to require that the PEG channels not be subject to change unless the written consent of the effected governmental entity providing the programming is obtained. These actions would be in support of the Dearborn/Meridian Township petition (CSR-8128).

Resolution #2008-01-009
Moved by Eisenbacher
Seconded by Broomfield
Approved 6-0

WHEREAS, Comcast Cablevision, is among the companies that furnish or will be furnishing cable television subscriptions to residential customers;

WHEREAS, The City of Troy and other governmental entities have committed substantial resources to deliver programming on governmental and educational access channels, also known as PEG and has participated with other governmental entities in the Community Media Network (CMN) and the Intergovernmental Cable Communication Authority (ICCA);

WHEREAS, Comcast Cablevision has indicated that it intends to change the channel lineup and location of the public, educational and government access channels (PEG) from present locations, where they have been situated for many years, to the channel lineup in the 900's, which will require customers to have a digital converter set-top box, a cable card or a QAM* capable television;

WHEREAS, The result is added costs, inconvenience, and confusion with respect to citizens who intend to view educational and governmental access channels; and

WHEREAS, Since Comcast's announcement, many citizens have voiced their opposition to the news that Comcast intends to change the location of PEG channels and require customers to have a digital converter box to receive the channels;

NOW, THEREFORE, it is resolved that:

1. Comcast Cablevision is requested to preserve the channel locations for public, educational and governmental access channels (PEG) and agree that they will not be changed in the future without the written consent of the City or governmental entity or entities which provide programming on such channels;
2. The City of Troy requests that Comcast respond to the questions posed by the Michigan Chapter of the National Association of Telecommunications Officers and Advisors in its letter dated November 2007 addressing operational and legal issues related to Comcast's actions; and

3. The City of Troy requests that Public Act 480 of 2006 be immediately amended to require that public, educational and governmental access channels remain at the current locations and that the same not be subject to change unless the written consent of the affected governmental entity providing the programming is obtained;

4. The City of Troy requests that ICCA legal counsel explore sections of Michigan's Public Act 480 of 2006, for provisions that already exist to potentially assist the City in maintaining the best delivery of its programming to Troy residents via the cable TV and video systems. In addition, that ICCA continue talks with local providers, as well as investigate appropriate measures, to protect the City's investment in providing programming for local access channels, as these channels are important means of communicating with residents.

5. Consumers should be informed that they have the option in Troy to change to Wide Open West if they have a problem with Comcast's channel lineup. Comcast is risking the loss of many customers who enjoy the local Public, Educational and Governmental Channels.

6. Digital broadcast TV will be mandatory starting in February 2009 and many consumers will already be purchasing new TVs with digital reception and QAM or converter boxes for digital TV and QAM reception during the next year. This will effectively be a one year problem if Comcast changes the channel list early instead of waiting until February 2009.

* QAM tuners in televisions enable direct reception of digital cable channels without the use of a set-top box.

In conclusion, the PEG stations in the City of Troy have a long tradition of producing quality programs for the community. They are an instrumental tool for communication and education and are the source for genuine local programming for our residents and about our residents. Our PEG channels are a critical and irreplaceable resource for our community, therefore it is recommended that the Troy City Council be requested to approve the following resolution:

BE RESOLVED that the Troy City Council authorizes the City Clerk to distribute copies of this letter in support of preserving the quality and financial viability of Public, Education and Government (PEG) channels to our elected representatives in Washington and Lansing and to authorize the City Attorney to file this letter on our behalf in accordance with the requirements set forth by the FCC Public Notice DA 09-203.