

Re: H.B. 5814



Good morning. My name is Jennifer Evans, Production Manager of West Hartford Community Television. We are a non-profit organization that manages the public, education and government access channels that serve the Town of West Hartford.

I am here today to comment on section 8, subsection 4a. We strenuously object to the use of the words "most economical" as we believe that they will undermine the important goals of community television in two ways.

First, all costs to ensure that new technologies are made compatible with existing stations should be the responsibility of the video service provider. All interconnection costs, transmission, regular maintenance and technical support have been the responsibility of the incumbent cable provider since the inception of public access with no strings attached. We believe the intent of the bill writers was to rightly extend this responsibility to the video service provider.

Therefore, we request that the language be clarified to mandate that all costs associated with transmission equipment, installing, connecting, and maintaining the interconnectivity between a PEG facility and the provider's head end shall be borne by the provider.

Second, we should not allow new video service providers to provide substandard quality for community television by use of the term "most economical." I was here last year when AT&T talked about its commitment to public access and how they understood PEG's important role in local communities. Now, we are learning that we are not a channel on U-verse. Instead, we're buried in a drop down menu and delivered via a web stream that looks like "You-Tube" on TV. I have attached findings sent to me from a six week beta test study done in Clinton Township, Michigan, that outlines the deficiencies of the U-verse system.

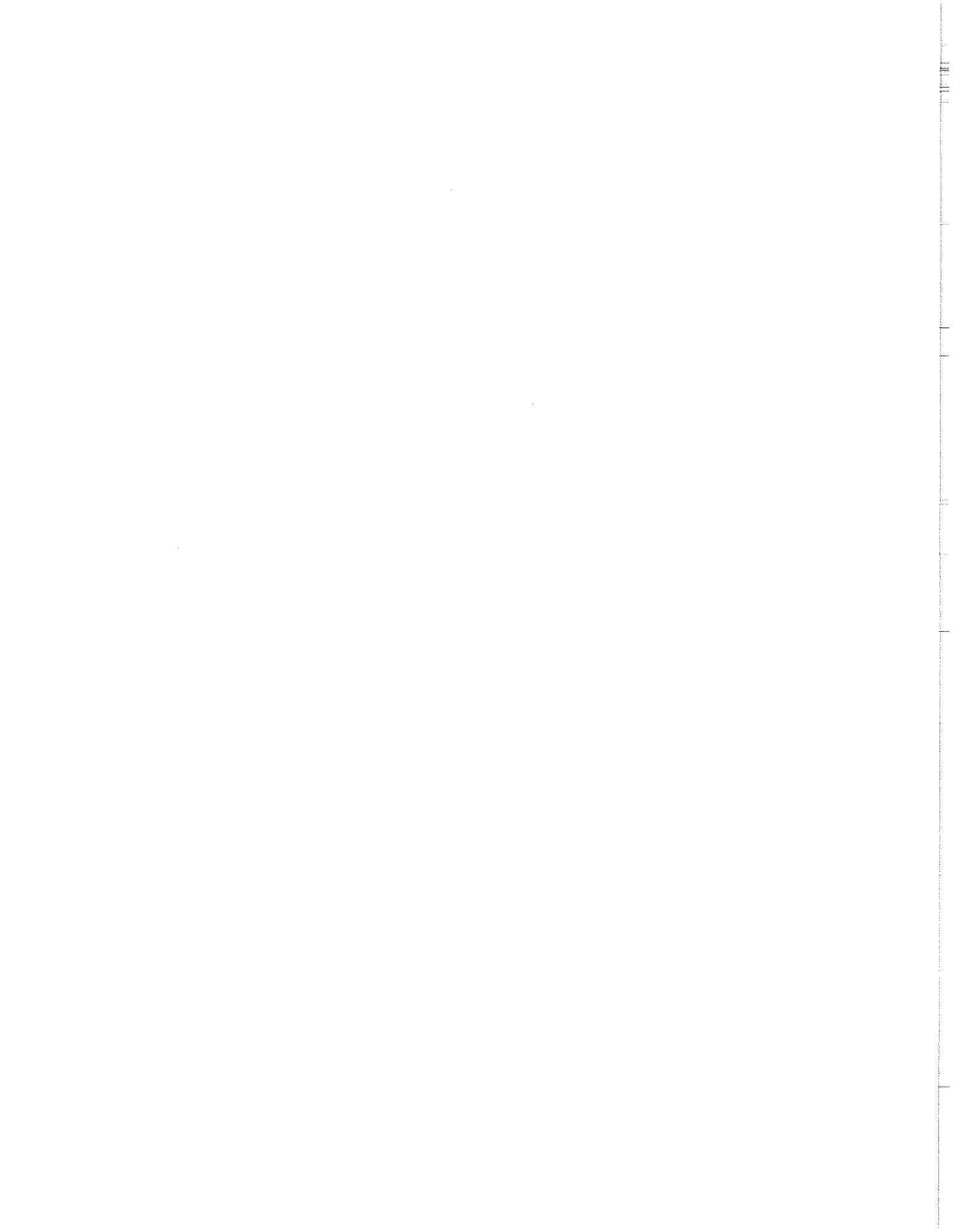
New technology is supposed to enhance not degrade the delivery of a channel. Instead, we find that AT&T's PEG solution is inferior and, frankly, unacceptable.

We urge you to remove the language "most economical" and insist that public access be delivered at equivalent capacity, equivalent visual and audio quality and equivalent functionality to that of commercial channels. Additionally, all providers should be capable of carrying PEG at least at the current NTSC signal quality, with features like close captioning, SAP, program listings and DVR recording.

We understand that Comcast is planning an Internet protocol television product much like that offered by AT&T. Please don't legislate a race to the bottom. You have a rare opportunity to set the standards that will allow PEG to continue to provide an invaluable local service. We ask you to aim high. The citizens of Connecticut are counting on you to ensure they get meaningful community television in exchange for AT&T's use of their rights of way.

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For the Community, by the Community



PROBLEMS with AT&T's "PEG Solution"

PEG programming is not treated the same as all other programming on AT&T U-verse. Numerous problems were observed during a six-month test of PEG programming on the AT&T system in Metro Detroit by Clinton Township.

PEG CHANNELS ARE NOT EASILY ACCESSIBLE

1. Channel numbers are not the same as those on the incumbent operator necessitating new marketing strategies and increased costs.
2. Channel numbers are not in the basic tier of programming, and are not near the local broadcast channels.
3. Each PEG Channel on U-verse is not a single, exclusive, linear channel like all other U-verse channels, and as PEG channels have been handled on incumbent cable systems since the inception of PEG.
4. AT&T's system establishes a barrier to PEG programming.

The majority of PEG viewers who watch as a result of channel surfing, will no longer watch PEG.

Additional steps are required to navigate to the page. Rather than punching a single channel number, a customer must scroll through potentially hundreds of other communities, click on the desired community and scroll again via additional menus listing public, educational and governmental channels for each community. They are required to click again to get the full screen picture.

Difficult to navigate – A majority of citizens given verbal instructions on how to reach the PEG channels were unable to do so without further assistance.

Long loading time – The Clinton Township test showed an average of 20-30 seconds until programming appears. Sometimes the programming did not load at all or the viewer gave up. Three tests on 12/9/07 in Cupertino, CA took from :45 to 1:27 load time including time for user interaction.

QUALITY IS UNACCEPTABLE

PEG on U-verse is not transmitted with the same broadcast standard as commercial channels.

1. Diminished picture quality (76,800 pixels versus 314,928 pixels for AT&T's commercial channels). This is one-quarter the resolution of all other broadcast/cable stations.
2. The PEG solution is a web based program using windows media 9 streaming out at 1-1.5 megabits a second.
3. Audio is not synchronized with video and can be off by 2-6 frames per second.
4. Sometimes, audio, video or both freeze up.
5. Test viewers have described the picture as "You Tube on TV."
6. PEG pictures are one-quarter of the screen (320 x 240), necessitating an extra step to enlarge the screen, further downgrading the picture quality. Those with newer, larger TV sets (LCD flat 16:9) who select full or widescreen modes, using the full capacity, report dissatisfactions with the further denigration of the PEG picture quality.
7. The PEG Solution suffers from grainy digital noise, artifacts caused by compression (also described as "bug swarms" and "mosquito noise"), especially around object edges, and choppy movement, graphics and transitions.
8. Some character-generated messages are blurry and difficult to read, especially "lower-thirds"

IMPORTANT FEATURES ARE LOST

1. A parent cannot use the parental controls to block access individual channels based on content. A parent should be able to block the public access and still see the educational channel.
2. Emergency Alert System (EAS) messages cannot currently be viewed on U-verse's PEG channel. Many PEG channels are part of their town's strategic plan for emergency preparedness.
3. Closed captioning does not come through AT&T's PEG Solution. The only option is open captioning which can block much of the picture for those who do not require closed captioning. Several Michigan communities (including Clinton Township and Grand Rapids) close-caption board and town council meetings. Closed captioning is also prevalent on all PSAs from the National Ad Council. WHC-TV's teacher enrichment programs are close-captioned.
4. You can see other cities' PEG on channels within your region. Although AT&T touts this as an advantage, it flies in the face of local access and can be a problem for copyright release granted only in a specified area.
5. Cannot press 'last' to immediately go to the last channel you were watching.
6. Cannot record PEG on the DVR.
7. Cannot go up or down the channels to exit; you have to press Exit TV to get out of Channel 99.

AT&T representatives indicate problems will be addressed but they have not been cured during the six-month trial period. Some local press articles have noted that AT&T's PEG technology will not work.

IMPACT OF DELIVERY IN AN ECONOMIC MANNER

The Alliance for Community Media has documented the impact in detail. The chart below gives an indication of how other state cable franchises have departed from the Federal protections previously in place. This list continues to grow as more state cable franchises go into effect and new changes become apparent.

PEG Issue	After New State Cable Franchise	After '96 Telecom Act	After '84 Cable Act
PEG Channel Slamming	Yes - MI, FL, NC	No	No
Loss or Cut to PEG Funding	Yes - OH, MS, FL, GA, CA, TX, WI, NC, MI	No	No
Loss of Capital Payments	Yes - IN, NC	No	No
Loss of Close Captioning/SAP	Yes - CA, all AT&T systems	No	No
Loss of PEG Channels	Yes - IN	No	No
Loss of Facilities/Studio	Yes - OH, MS, FL, GA, CA, IN, NC, MI	No	No
Transmission costs PAID by PEG	Yes - OH, many AT&T systems	No	No
Loss of cable drops to public buildings	Yes - KS, MI	No	No
PEG moved from analog to digital with charge to subscriber for cable box	Yes - MI, FL, NC	No	No
Consumer cable pricing regulated	No	No	Yes
"Basic Cable" pricing regulated	No	Yes	Yes

OTHER STATES ARE AMENDING LEGISLATION TO PROTECT PEG. JOIN ILLINOIS, CALIFORNIA, and TENNESEE & IDAHO AND REQUIRE EQUIVALENT QUALITY FOR PEG.

Impact of State Video Services Legislation Early Results Do Not Evidence Sufficient Competitive Benefits

Alexandria, VA – The National Association of Telecommunications Officers and Advisors (NATOA) today released results of a preliminary survey it conducted among its members to obtain a snapshot of the impact state video services legislation has had to date on communities and subscribers. While state video franchising is still a relatively new concept, the survey posed questions regarding its effects on competition, rates and services, PEG (Public, Educational and Governmental) access, and consumer complaints. Responses came from 14 of the states which have adopted state video legislation. A total of 139 Local Franchising Authorities (LFAs), representing 10 million cable subscribers (15% of cable subscribers nationwide), participated in the survey.

The results of the survey indicate that incumbent cable providers are taking advantage of the change in law, with one third of respondents indicating that the incumbent had abandoned its local franchise for one issued by the state. New entrants are seeking only state franchises. In franchise areas affected by state legislation, 27% of participants report one new entrant, and 6% report more than one new entrant in operation. Thirty-five percent (35%) of LFAs report the new entrant has not built anything; 48% report the new entrant has built out to part of the community; while only 18% report that the new entrant is in the process of or has built out to the entire community.

As a result of these changes, NATOA was disappointed to learn that under state legislation thus far:

- Rates have not decreased according to 98% of those surveyed.
- Incumbent basic rates have increased \$1.12 for analog and \$1.51 for digital
- Most new entrants do not market a Basic Service Tier nor report rates, which makes consumer comparison shopping difficult at best.
- Consumer complaints remain high with 74% of respondents reporting the same level of complaints, except as they relate to the availability of choice of provider
- The majority of LFAs reported that on incumbent systems, the number of PEG (Public, Educational and Governmental) access channels has remained constant (97%) and that the technical quality has remained the consistent (89%). PEG channel positions on new entrant systems were reported as different from the incumbents by 39% with worse or poor technical quality reported by 36% on new entrant systems. PEG funding was the same for 44% of the LFAs, whereas funding increased for 12% and actually decreased for 22% of respondents.
- Overall, 82% of LFAs do not believe that state video legislation is having a positive impact on their community; 90% believe that PEG programming is not being treated in an equitable manner by new entrants; and 97% believe that customer service has not improved under state supervision.

"We were anxious to get this first snap shot and to set the bar against which future data can be collected and judged," said NATOA Executive Director Libby Beaty. "Clearly, this legislation is very new in many places, and only time will tell whether, once implementation is complete, it will prove to have benefited consumers more than the corporations that sought the legislative changes. We are hopeful that it is the consumer who will win, but clearly it's too soon to see those benefits yet. State legislation just out of the gate is not resulting in price reduction, the primary reason used to justify state over local regulation."

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<http://www.natoa.org/2008/03/natoa-survey-impact-of-state-v.html>