

# CABLE COMMUNICATIONS POLICY ACT OF 1984

as amended by the

## CABLE TELEVISION CONSUMER PROTECTION AND COMPETITION ACT OF 1992

### Section 626(a) Commencement of Proceedings; Public Notice and Participation

(1) *A franchising authority may, on its own initiative during the 6-month period which begins with the 36th month before the franchise expiration, commence a proceeding which affords the public in the franchise area appropriate notice and participation for the purpose of:*

***(A) identifying the future cable-related community needs and interests, and***

***(B) reviewing the performance of the cable operator under the franchise during the then current franchise term. If the cable operator submits, during such 6-month period, a written renewal notice requesting the commencement of such a proceeding, the franchising authority shall commence such a proceeding not later than 6 months after the date such notice is submitted.***

## IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS

- Performance Evaluation of Existing Cable Television Operations
  - *Level of compliance with current franchise and ordinance obligations*
  - *System design and cable plant performance*
    - \* *Picture and sound quality*
    - \* *Capability (channel capacity, interactivity, etc.)*
    - \* *Reliability (outage history)*
  - *Customer service*
    - \* *Telephone response*
    - \* *Repair appointments*
    - \* *Billing*
  - *Financial analysis (including accuracy of franchise fee payments)*
  - *PEG Access*
    - \* *Condition of facilities and equipment*
    - \* *Equipment usage levels, original programming amounts*
    - \* *Evaluation of training program*
    - \* *Number of people trained, certified users and program providers*
    - \* *Community outreach and promotional efforts*
    - \* *Viewership studies*
- Phone or Mail Survey of Cable Subscribers and Non-Subscribers
- Focus Group Workshops (include brainstorming & questionnaires)
  - *Government departments and agencies*
  - *Educational institutions*
  - *Current Access users*
  - *Nonprofit organizations in areas such as community service, social service, health care, youth, and senior citizen services*
  - *Minority groups*
  - *Local neighborhood associations and business organizations*
  - *Arts, culture, and heritage groups and organizations*
  - *Church groups and religious organizations*
- Community Leader Round Table and/or Personal Interviews (include brainstorming & questionnaires)
- Strategic Plans and Position Papers from Workshop and Round Table Participants (analyze their info distribution and technology plans)
- Public Hearing(s)
- **Consolidate All Information Gathered as Basis for Franchise Renewal Goals**

# IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS

## 1. Scope and General Methods.

A needs assessment must be conducted to identify future cable-related community needs, interests and concerns relative to the franchise renewal process.

A valuable method used to identify community needs is a series of structured workshops designed to reach primary cable user groups. Participants in the workshops are asked to answer questions which would enable the City/County to identify future cable-related needs and interests, as well as identify concerns regarding the operator's performance. Such structured workshops are very successful in assuring that a user's expression of needs, interests and concerns is well-informed. These workshops are also successful in developing significant involvement in the franchising process by a wide variety of vitally interested groups. The method is efficient, because it permits the City/County to obtain information relevant to a number of critical franchising tasks through a series of simple and inexpensive sessions. In short, the workshop method creates a sizable, informed, and involved constituency, often useful in subsequent negotiations and in the political process.

Cities frequently find that they also need to have a mail or telephone subscriber survey conducted. Either a mail or telephone survey can develop very useful information which can prove to be extremely valuable during the negotiation process. A telephone or mail survey, in combination with the community workshops discussed above, provides a strong foundation from which a City/County can proceed with confidence during any negotiations.

The City/County should also hold a series of hearings to provide an opportunity for the public to address issues being explored through the assessment process and review of past performance. This would not only permit the City/County to comply with any formal Cable Act renewal requirements, it would maximize public participation and support for the renewal process.

## **IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS**

The needs assessment would conclude with a compilation of the results of all needs assessment activities, and the formulation of specific recommendations that would be the basis of proposed franchise provisions. The reports prepared can be presented as part of any renewal proceedings conducted by the City/County consistent with the Cable Act.

### **2. Ascertainment Workshops.**

These workshops involve presentations that speak to the specific interests of critical cable user groups in the City/County. Such workshops are often designed to target the following groups:

- Government departments and agencies.
- Nonprofit organizations in areas such as community service, social service, health care, youth, and senior citizen services.
- Arts, culture, and heritage groups and organizations.
- K-12 Educational institutions.
- Post secondary educational institutions.
- Interested public and citizens at large.

Each workshop would include an intensive introduction explaining the nature of modern cable service in critical areas (e.g. , programming, consumer service, system design and technology, PEG access, and non-entertainment uses of the system, including video, voice and data services). Special emphasis would be placed on presenting the industry developments most pertinent to each targeted workshop, and reviewing the experiences of similar groups locally and other jurisdictions. Current and developing federal regulatory policy would be summarized as needed. Ample opportunity for questions and clarifications would be provided.

## **IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS**

Following the introductory educational segment of the workshop, a group brainstorming process would allow participants to clarify their thinking on what uses of cable service they would most like to see maintained or made possible through the franchising process.

Each participant would complete the workshop by filling out a questionnaire designed to clearly express user needs to be fulfilled in the renewal process. Workshop participants would also be asked to identify existing problems with delivery of cable services.

The ascertainment of community needs and interests in the areas of public, educational and government (PEG) access is also important. PEG access represents a rich opportunity for community uses of the cable communications medium. The Cable Act and subsequent federal legislation permits franchising authorities to require certain support for PEG access. In addition, many cable companies have found it in their own larger interest to agree through negotiation to provide a broad range of support for capital equipment and facilities, dedicated access channels, organizational support, and other services.

Through the workshop process, the kind and degree of future community uses likely in the City/County could be documented, taking into account experiences in comparable cities. These workshops would complement information gathered specific to current access channels, equipment, facilities and services.

### **3. Identify System Design Needs.**

An effort to determine the kind of cable system required to meet future community needs is another important element of this process. Part of this task would be accomplished through the workshop process. Workshop participants would not be asked to become technical experts. However, introductory presentations in these forums would include a review of the current and developing "state-of-the-art" for new cable systems, as well as those being rebuilt or upgraded today.

## IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS

In addition, a technical audit of the cable system conducted by qualified engineers can provide valuable information regarding the condition of the existing system. By considering the current system and its condition and capability in light of the identified community needs and interests, necessary technical changes can be determined that must be made to the existing cable system (i.e., upgrade or rebuild) in order to meet those community needs and interests.

Finally, consider community demographics and new developments by the cable industry in other locales. Based on this information, the City/County negotiating team can assess:

- *Rebuild or Upgrade Channel Capacity Requirements.*

An assessment would be made as to the degree of upgrade or rebuild that would be necessary to provide services at a level indicated by the needs assessment results.

- *Two-way Interactive Service Requirements: Voice, Video, Data.*

Many modern urban cable systems today have the activated capacity to provide two-way services such as data and voice transmission, and video transmission from remote locations. Some requirements are related to institutional uses. However, others are required for effective delivery of services to individual subscribers. The needs assessment process would include introductory information regarding two-way and advanced cable service, and, through the workshop process, should result in the initial identification of two-way and advanced video services that might be significantly used on the cable system by ordinary subscribers.

- *Requirements Which Ensure User-Friendliness.*

Many cable systems are being designed to assure that subscribers would be better able to choose the package of cable services desired, to ensure that those services are delivered in a way which does not interfere with the use of VCR's, home video game terminals and the like. For example, most new or upgraded systems today include up-to-date technology for pay-per-view programming. There are many ways of accomplishing pay-per-view. Some

## IDENTIFYING FUTURE CABLE RELATED COMMUNITY NEEDS AND INTERESTS

- *Requirements Which Ensure User-Friendliness.* (continued)

cable systems utilize two-way addressable converter technology for instant, push-button program choice. Others rely upon a subscriber calling the cable company on the phone for an individual program. Still others offer a package of programs over a period of time which are activated through a decoder mailed to the subscriber by the company, or through switching equipment manipulated by cable company personnel in a box outside the subscriber's home. It is reasonable to request that appropriate technology be provided in a franchise that would optimize the ability of subscribers to receive diverse information through a choice of packages. Following the technical review of the system and the results of the needs assessment, the City/County negotiating team would formulate the substance of any proposed franchise provisions regarding technology to maximize consumer choice.

- *Technical Standards.*

The Federal Communication Commission has provisions that control technical standards for cable systems, but permit cities and cable companies to agree to some technical standards appropriate to system design and community needs and to place them, with provision for review and revision, in the cable franchise agreement. Franchise provisions requiring periodic technical tests by the companies and good reporting to the City/County are also advisable. Appropriate technical standards and supporting franchise provisions should therefore be developed as part of the renewal project.

# **COMMUNITY NEEDS ASSESSMENT**

## **SUMMARY OF RECOMMENDED ACTIVITIES**

- **Review Franchise Agreement and all actions of City/County Council regarding cable during the term of the franchise.**
- **Review all files on cable including performance audits and reviews, correspondence, etc.**
- **Analyze past performance and identify problems (if any).**
- **Create a special Committee or direct current Cable Advisory Committee or Board to be a player in renewal process (especially during the assessment of community needs and interests).**
- **Interested parties should discuss their concerns with Cable Advisory Committee or Board, elected officials, and key City/County staff.**
- **Conduct a telephone or mail survey of cable subscribers and non-subscribers to determine current attitudes of residents with respect to cable TV matters.**
- **Educate community organizations and local leaders about franchise renewal and cable-related issues. Focus group workshops and/or round tables are very effective.**
- **Educate the local media - they can be of great assistance.**
- **Solicit input on future needs and interests through questionnaires, letters of support, community group strategic plans, position papers, etc.**
- **Encourage active community involvement in the public hearing process.**
- **Develop a concise set of goals for franchise renewal negotiations.**