

MT. HOOD CABLE REGULATORY COMMISSION

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EXHIBIT
MHCRC STAFF
EXHIBIT 1

Serving Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village

November 26, 2008

Tim McCallion
President
Verizon Northwest, Inc.
112 Lakeview Canyon Road
Thousand Oaks, CA 91362

Dear Tim:

This letter provides notice to Verizon on certain requirements under the recently approved cable services franchise with the City of Gresham, Oregon, and also notifies Verizon of a potential franchise compliance issue related to inclusion of the local access channels in the cable services being offered in the franchise area.

In accordance with the Verizon franchise agreement with the City of Gresham (effective Nov. 18, 2008), this letter is to provide notice under Section 7.1.2 of the general type of initial use of the eight PEG access channels required under Section 7.1.1. This letter also includes the MHCRC's request for certain PEG access channel placement in Verizon's channel lineup for the City of Gresham area as follows:

<u>Channel Request</u>	<u>Type of Use</u>
Channel 11	Community Access Network
Channel 21	Local Community Programming
Channel 22	Local Community Programming
Channel 23	Local Community Programming
Channel 27	Local Educational Programming
Channel 28	Local Educational Programming
Channel 29	Regional Public Affairs Programming
Channel 30	Local Government Programming

Section 7.1.1 requires that Verizon provide one additional access channel for the purpose of MetroEast Community Media providing Verizon subscribers with information about the programming available on the access channels listed above. The MHCRC requests that this channel "type of use" be referenced as "MetroEast Programming Lineup".

Additionally, Section 7.1.1 states:

7.1.1 Subject to Section 3.10.2, Grantee shall provide eight (8) PEG Access Channels as part of Basic Service which shall be fully accessible to all Subscribers within the Service Area. Grantee shall provide one additional Access Channel as part of Basic Service, to be used by the Jurisdictions or their designee for the distribution of PEG Access Channel programming information to Subscribers.

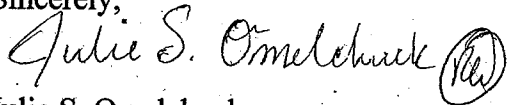
I reference this franchise section because the MHCRC received notice from Verizon that the Service Date for Gresham was November 25, 2008. The Service Date under the franchise means the date that Verizon first provides cable service to multiple subscribers in the franchise area.

To the best of our knowledge, it does not appear that Verizon has implemented the connection at MetroEast (required in Section 7.2.2) in order for Verizon to include the access channels in its cable service to subscribers. It is my understanding, based on discussions with Rob Brading, MetroEast Executive Director, that Verizon has not communicated with MetroEast to establish a technical plan or timeline to implement this connection. This is of grave concern since it seems that Verizon is offering cable service in the franchise area without the inclusion of the access channels as required under the franchise.

We believe this implicates a potential franchise violation and, as such, request that Verizon address the access channel connection without further delay.

It is obviously disappointing that our first communication regarding the new Gresham cable services franchise with Verizon must address an issue such as this. However, it is our hope that Verizon can remedy the channel connection issue immediately and we can look forward to a mutually beneficial relationship in the future.

Sincerely,



Julie S. Omelchuck
Cable Program Manager
MHCRC

Cc. Rob Brading, MetroEast Community Media
Jack White, General Counsel, Verizon
Raymond Deede, Franchise Service Manager, Verizon
Larry Manion, Cable Franchising, Verizon
David Ris, Legal Counsel, City of Gresham
David Olson, MHCRC Director
MHCRC Commissioners