

**Before the Mt. Hood Cable Regulatory Commission
1211 SW Fifth Avenue, Room 1305
Portland, OR 97204**

Granting Comcast a Minor Franchise Variance)	
And Authorizing the MHCRC Chair to Enter into a)	Resolution No. 2005-05
Letter of Agreement with Comcast Regarding)	Adopted: November 21, 2005
Access Programming Inclusion in Comcast's)	
TV Guides and Video-on-Demand)	

Section 1. Findings.

- 1.1 Comcast Corporation ("Comcast") operates under franchises issued by Multnomah County, for unincorporated Multnomah County, and the cities of Portland, Fairview, Gresham, Troutdale and Wood Village (the "Franchises"). The Franchises include: KBL Multnomah Cablesystems, LP., and the East County cities and Multnomah County; KBL Portland Cablesystems, LP., and the City of Portland; and TCI Cablevision of Oregon and the City of Portland. The County and the cities approved an ownership transfer of these Franchises to Comcast effective June 13, 2002.
- 1.2 The Mt. Hood Cable Regulatory Commission ("Commission" or "MHCRC") was created by Intergovernmental Agreement (dated December 24, 1992) ("IGA") to carry out cable regulation and administration on behalf of Multnomah County and the cities of Portland, Gresham, Troutdale, Fairview, and Wood Village ("the Jurisdictions"). Among other things, the Commission oversees the PEG Access requirements in Franchises.
- 1.3 Under the Franchises, Comcast is required to reserve one additional Access Channel so that there are a total of nine channels for PEG Access use. The Jurisdictions may require Comcast to activate an Access Channel after receiving a recommendation from the MHCRC regarding the need for an Access Channel as established under the Franchises. Eight of the nine Access Channels are currently activated for PEG Access use.
- 1.4 On June 20, 2005, the MHCRC approved Resolution 2005-04 which recommended that the Jurisdictions require Comcast to activate the remaining ninth Access Channel based on the determination that the Designated Access Providers had met the channel usage criteria under the Franchises. The Designated Access Providers indicated that they intended to use the additional channel to provide cable subscribers with additional information about PEG Access Programming since Access Program listings were not included in Comcast's TV guides.
- 1.5 Subsequently, Comcast submitted a proposal to the Commission offering an alternative means by which the Designated Access Providers could provide cable subscribers with PEG Access Programming information through a minor variance of the Access Channel requirement.

- 1.6 After discussions between representatives from Comcast and the MHCRC regarding Comcast's proposal, Comcast and the MHCRC have agreed to pursue an alternate solution to inform the community about PEG Access Programming, in lieu of Comcast activating a ninth Access Channel. The MHCRC and Comcast have agreed on terms and conditions in order to include Access Programming in the analog and digital program guides and in Comcast's video-on-demand (VOD) program content available free to digital subscribers. Those terms and conditions are contained in the Letter of Agreement attached to this Resolution as Exhibit A.
- 1.7 The MHCRC may, in accordance with the Franchises, permit the Grantee to vary its manner of performance under the Franchise so long as the variance does not result in a substantial change in the Franchise terms or a substantial reduction in the services to be provided.
- 1.8 The MHCRC has determined that the inclusion of Access Programming in the analog and digital programming guides will provide subscribers increased information about the programs available on the Access Channels. In addition, inclusion in the digital guide will place Access Programming information on an advancing and more flexible TV guide platform with interactive features and emerging search technologies (such as keyword searches selected by the subscriber). Further, inclusion of Access Programming in Comcast's VOD platform will provide Access Providers entrée onto a new and emerging interactive video distribution technology, allowing on-demand viewing of certain programs initially, with the potential to expand the number of programs available as the VOD technology develops.
- 1.9 The MHCRC finds that these minor variances do not result in a substantial change in the Franchise terms or a substantial reduction in the services to be provided.

Section 2. NOW, THEREFORE THE COMMISSION RESOLVES:

- 2.1 The Commission authorizes the MHCRC Chair to sign a Letter of Agreement with Comcast substantially the same as the Letter attached to this Resolution as Exhibit A.
- 2.2 The terms and conditions established herein shall be deemed to be authorized by the Commission as minor franchise variances.
- 2.3 The Commission's approval of the Resolution does not authorize Comcast to vary its performance under the Franchise Agreements, except as expressly provided during the duration of the Letter of Agreement as authorized by this Resolution, and does not otherwise waive any of the Commission's right to fully enforce the Franchises.
- 2.4 Except as expressly provided herein, the terms and conditions established in this variance Resolution do not otherwise modify the terms and conditions of the Franchise. All terms and conditions of the Franchise otherwise remain the same.

ADOPTED BY THE COMMISSION on November 21, 2005.

R. C. Goheen, Chair

Reviewed by:

Benjamin Walters, Legal Counsel