

## COMMONWEALTH OF MASSACHUSETTS OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

## DEPARTMENT OF TELECOMMUNICATIONS & ENERGY Cable Television Division

In the Matter of	) Docket I	No. CIV 02-2			
AT&T Broadband	) Date Issued: April 24, 2003				
AT&T CSC, Inc.	) Acton	Deerfield	Ipswich	North	Taunton
Intermedia Partners, a	Acushnet	Dennis	Lakeville	Attleborough	Templeton
California Limited	) Agawam	Dighton	Lancaster	North	Tewksbury
	Amherst	Dover	Lawrence	Reading	Topsfield
Partnership	) Andover	Dracut	Leominster	Northampton	Townsend
MediaOne of Brockton, Inc.	) Ashburnham	East	Lincoln	Northfield	Truro
MediaOne of	) Ashland	Bridgewater	Littleton	Norton	Tyngsborough
Massachusetts, Inc.	) Attleboro	Eastham	Longmeadow	Norwell	Upton
MediaOne of Needham, Inc.	Avon	Easton	Lowell	Norwood	Wakefield
	Ayer	Erving	Lunenburg	Orleans	Walpole
MediaOne of	) Barnstable	Everett	Lynn	Palmer	Waltham
New England, Inc.	) Bedford	Fairhaven	Lynnfield	Peabody	Ware
MediaOne of New York, Inc.	) Bellingham	Fall River	Malden	Pelham	Wareham
MediaOne of Ohio, Inc.	) Belmont	Fitchburg	Mansfield	Phillipston	Warren
MediaOne of Southern	) Berkley	Foxborough	Marblehead	Plainville	Watertown
New England, Inc.	Bernardston	Framingham	Marion	Provincetown	Wayland
o .	) Beverly	Franklin	Marlborough	Quincy	Wellesley
MediaOne of Virginia, Inc.	) Billerica ) Blackstone	Freetown Gardner	Mattapoisett Maynard	Randolph	Wellfleet Wenham
MediaOne of Western	) Boxborough	Georgetown	Maynard Medfield	Raynham Reading	West
New England, Inc.	Boxford	Gill	Medford	Rehoboth	Bridgewater
TCI Cablevision of	Braintree	Granby	Medway	Revere	West
Georgia, Inc.	) Bridgewater	Granville	Melrose	Rochester	Newbury
TCI TKR of Georgia, Inc.	) Brockton	Greenfield	Mendon	Rowley	West
O	) Brookline	Groveland	Methuen	Salem	Springfield
UACC Midwest, Inc.	Buckland	Hamilton	Middleborough	Saugus	Westfield
United Cable Television Corp.	Burlington	Hanover	Middleton	Scituate	Westford
of Eastern Connecticut	Cambridge	Hanson	Milford	Seekonk	Westhampton
United Cable Television	Canton	Hardwick	Millis	Sharon	Westminster
Services Corporation	) Carlisle	Harwich	Milton	Shelburne	Weston
•	) Chatham	Hatfield	Monson	Sherborn	Westwood
Westmarc Development	) Chelmsford	Haverhill	Montague	Somerset	Weymouth
Joint Venture	) Chelsea	Hingham	Nahant	South Hadley	Whitman
all d/h/a	Chester	Holbrook	Nantucket	Southwick	Williamsburg
all d/b/a	Clinton	Holliston	Natick	Springfield	Wilmington
AT&T Broadband	) Cohasset	Holyoke	Needham	Stoneham	Winchendon
For a Determination	) Concord	Hopedale	New Bedford	Stoughton	Winchester
	) Conway	Hopkinton	Newbury	Stow	Winthrop
Of Cable	) Danvers	Hudson	Norfolk	Sudbury	Wrentham
Television Rates	) Dartmouth ) Dedham	Hull Huntington	North Andover	Sunderland Swampscott	Yarmouth
	/ Deanam	minimpion	Andover	JWAHIDSCOH	

## ORDER APPROVING COMPLIANCE FILING

**APPEARANCES**: Warren O. Fitting

Director of Regulatory Affairs

Comcast Cable Communications, Inc. 1500 Market Street – 32<sup>nd</sup> Floor

Philadelphia, PA 19102-2148

FOR: AT&T BROADBAND

Petitioner

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FOR: THE CITIES OF CAMBRIDGE, FALL RIVER,

MEDFORD AND REVERE, AND THE TOWNS OF BEDFORD, BROOKLINE, DANVERS AND

HOLLISTON Intervenors

**AND** 

THE TOWN OF WRENTHAM

**Limited Participant** 

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AND

THE TOWN OF WINCHESTER Limited Participant

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AND

THE TOWN OF STONEHAM Limited Participant

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FOR: THE TOWN OF SOMERSET Intervenor

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FOR: THE TOWN OF TOWNSEND

Intervenor

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David Farrell 45 School Street Brockton, MA 02301

FOR: THE CITY OF BROCKTON Limited Participant

Hon. David Ragucci Mayor, City of Everett 484 Broadway Everett, MA 02149-3694

FOR: THE CITY OF EVERETT Limited Participant

On April 8, 2003, the Cable Television Division ("Cable Division") of the Department of Telecommunications and Energy rejected AT&T Broadband's ("AT&T Broadband" or "the Company") filing purportedly made in compliance with AT&T Broadband, CTV 02-2 (2003)("Order"). AT&T Broadband, CTV 02-2 (April 8, 2003) (Order on Compliance Filing). In the Compliance Order, the Cable Division directed the Company to revise its Federal Communications Commission ("FCC") Form 1240 for the City of Beverly in compliance with our Order and to submit the revised form for review. The Company submitted its compliance filing on April 16, 2003 ("Revised Form").

The revised form for Beverly includes a Franchise Related Costs ("FRC") Worksheet that contains a specific line item reduction of \$0.20 in the monthly FRC payment per subscriber (Revised Form at FRC Worksheet). This FRC Worksheet includes the notation: "Section 5.1(q) \$0.20 negotiated reduction," which refers to the provision in the Beverly Renewal License requiring the reduction (id.; see Order at 9). This FRC Worksheet also removes a reduction in equipment funding that the Company included for the first time in the Compliance Filing, but which had not been directed by the Order (Revised Form at FRC Worksheet; see Compliance Order at 3, n.7).

These changes on the revised Beverly form result in a monthly FRC payment of \$1.51 per subscriber, instead of the \$1.71 per subscriber on the Company's original Beverly FCC Form 1240 filing (Revised Form at FRC Worksheet; Exh. AT&T Broadband-15, at FRC Worksheet). They also reduce the FRC amounts included in the basic service tier ("BST") rate calculation for the Projected Period to \$245,168, instead of the \$277,560 included on the original filing (Revised Form at Worksheet 7, Projected Period, Line 707; Exh. AT&T Broadband-15, at Worksheet 7, Projected Period, Line 707). This reduced FRC amount, together with updated inflation figures and an adjusted Worksheet 7, True Up Period, result in a BST maximum permitted rate ("MPR") for Beverly of \$8.98, compared with a BST MPR of \$9.83 on the

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The Company is required to update its inflation figures if a rate form must be adjusted for reasons other than the availability of a more recent inflation figure. Comcast Cable Communications, Inc., DA 03-771, at 3, ¶ 6 (released March 13, 2003). There were decreases in the inflation figures reported on Lines C3 and C5 (Revised Form at 2; Exh. AT&T Broadband-15, at 2).

Because the Beverly license was renewed during the true-up period, AT&T Broadband adjusted its FRC amount to reflect both its pre-renewal and post-renewal FRC amounts (Revised Form at FRC Worksheet). The Company's initial FCC Form 1240 for Beverly had included the same FRC amount on Line 707 for both the true-up and projected periods, thus carrying back the post-renewal FRC to the beginning of the true-up period (Exh. AT&T Broadband-15, Worksheet 7, True-Up Period and Projected Period, Line 707). This change reduces the FRC amount reported for the true-up period to \$211,328, instead of the \$277,560 reported on the original filing (Revised Form at Worksheet 7, True-Up Period, Line 707; Exh. AT&T Broadband-15, Worksheet 7, True-Up Period, Line 707).

Company's original filing (Revised Form at 4, Line I9; Exh. AT&T Broadband-15 at 4, Line I9).

We find that AT&T Broadband's April 16, 2003 filing complies with our rulings in the Order and Compliance Order. We conclude that the BST MPR calculated on the April 16, 2003 filing is just, reasonable and in compliance with applicable law. Since the Company has elected to charge a BST rate in Beverly that is less than the revised MPR approved herein, no refunds are required.

Accordingly, after review and consideration, it is

ORDERED: That the compliance filing made by AT&T Broadband on April 16, 2003 is hereby approved, and it is

FURTHER ORDERED: That the Cable Division hereby accepts, as reasonable and in compliance with applicable statutes and regulations, AT&T Broadband's FCC Form 1240 as submitted on April 16, 2003 for Beverly.

The attached schedule provides, for each community, AT&T Broadband's previous and current basic service tier programming rates and equipment rates, as well as its proposed and approved maximum permitted rates.

By Order of the
Department of Telecommunications and Energy
Cable Television Division

/s/ Alicia C. Matthews
Alicia C. Matthews
Director