



COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF  
TELECOMMUNICATIONS & ENERGY  
Cable Television Division**

In the Matter of	)	Docket No.	CTV 02-17
	)	Date Issued:	August 27, 2003
	)		
Charter	)	Auburn, CUID MA 0073	North Brookfield, CUID MA 0308
Communications	)	Barre, CUID MA 0329	Northborough, CUID MA 0197
Entertainment I,	)	Belchertown, CUID MA 0286	Northbridge, CUID MA 0180
L.L.C.	)	Berlin, CUID MA 0333	Oakham, CUID MA 0344
	)	Boylston, CUID MA 0260	Oxford, CUID MA 0120
	)	Brookfield, CUID MA 0335	Paxton, CUID MA 0304
	)	Charlton, CUID MA 0309	Pepperell, CUID MA 0281
	)	Chicopee, CUID MA 0087	Rutland, CUID MA 0328
	)	Dudley, CUID MA 0036	Southampton, CUID MA 0184
	)	East Brookfield, CUID MA 0312	Southborough, CUID MA 0259
For a	)	East Longmeadow, CUID MA 0092	Southbridge, CUID MA 0029
Determination of	)	Easthampton, CUID MA 0107	Spencer, CUID MA 0043
Cable Television	)	Grafton, CUID MA 0177	Sturbridge, CUID MA 0209
Rates	)	Groton, CUID MA 0282	Sutton, CUID MA 0292
	)	Hadley, CUID MA 0285	Upton, CUID MA 0242
	)	Hampden, CUID MA 0103	Uxbridge, CUID MA 0290
	)	Harvard, CUID MA 0334	West Boylston, CUID MA 0319
	)	Hinsdale, CUID MA 0313	West Brookfield, CUID MA 0305
	)	Holden, CUID MA 0179	West Stockbridge, CUID MA 0311
	)	Hubbardston, CUID MA 0330	Westborough, CUID MA 0198
	)	Lanesborough, CUID MA 0300	Westport, CUID MA 0297
	)	Leicester, CUID MA 0044	Wilbraham, CUID MA 0054
	)	Ludlow, CUID MA 0081	Worcester, CUID MA 0018
	)	Millbury, CUID MA 0121	

**ORDER ACCEPTING COMPLIANCE FILING**

APPEARANCES: Robert J. Spain, Jr.  
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FOR: CHARTER COMMUNICATIONS  
Petitioner

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Intervenors

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FOR: THE CITY OF WORCESTER  
Intervenor

On July 2, 2003, the Cable Television Division (“Cable Division”) of the Department of Telecommunications and Energy (“the Department”) issued a rate order concerning Charter Communications Entertainment I, L.L.C.’s (“Charter” or “the Company”) basic service tier (“BST”) programming and equipment rates for the above-referenced communities. Charter Communications Entertainment I, L.L.C., CTV 02-17 (2003) (“Order”). In the Order, we found that the inclusion of a capital grant in the calculation of Chicopee’s franchise related costs (“FRCs”) was not a “reasonably certain” event during the projected period. Order at 5-6, citing 47 C.F.R. § 76.922(e)(2)(ii)(a). Consequently, we directed Charter to submit a revised Federal Communications Commission (“FCC”) Form 1240 for Chicopee, removing the capital grant to the City. We further directed Charter to refund to Chicopee subscribers the BST overcharges resulting from the Company’s inclusion of this capital grant in its FRCs and to submit for review its plan to implement the refund. Finally, we directed Charter to revise its FCC Form 1205, utilizing a methodology for calculating home wiring rates that is consistent with the Company’s previously approved FCC Form 1205 filings.

On July 18, 2003, Charter submitted its compliance filing, which consisted of a revised FCC Form 1240 for Chicopee and a revised FCC Form 1205. However, Charter’s compliance filing did not include a refund plan for Chicopee. Instead, concurrently with its compliance filing, Charter appealed the Order to the full Commission of the Department. The Company asserted that the Cable Division was incorrect in assuming that the capital grant would not be made during the projected period. Charter asked that any refund submission be deferred until the matter was resolved. On July 31, 2003, the Department denied Charter’s untimely appeal. Charter Communications Entertainment I, L.L.C., Order on Motion for Leave to File Appeal, CTV 02-17-A.

On August 22, 2003, Charter filed a refund plan for Chicopee with the Cable Division. This refund plan provides for a total refund to Chicopee subscribers of \$15,503.97. This amount includes both principal and interest at 5 percent per annum. There are 19,755 subscribers in Chicopee, which would result in a refund of approximately \$0.78 per subscriber. Refund Plan at 2.

Based on our review, we determine that Charter appropriately removed the capital grant from the external costs calculation on the revised FCC Form 1240. This change results in a reduction of the Company’s projected period external costs on Line I7 by \$0.11, with a corresponding decrease in Chicopee’s BST MPR on Line I9. Charter implemented the resulting decrease in Chicopee’s BST rate, effective August 25, 2003.

In the revised FCC Form 1205 submitted in response to the Order, Charter removed the capital cost component, at Step E, Line 29, from its home wiring maintenance charge calculation. Charter thereby returned to the methodology it had used in the previous form that had been approved by the Cable Division. In so doing, Charter has complied with the directives of the Order, and we accept the revised FCC Form 1205 as reasonable. While this revision results in a lower MPR, Charter's actual home wiring maintenance charges are all less than the revised MPR of \$0.41. Therefore, no further action is required.

We find that Charter's refund plan for Chicopee has been properly calculated, and will appropriately return overpayments to the affected subscribers. We direct Charter to pay this refund as a credit on the next available subscribers' bills. We further find that Charter has appropriately implemented the decrease in its BST rate in Chicopee.

Upon due review and consideration, the Cable Division hereby accepts as reasonable and in compliance with applicable statutes and regulations, Charter's FCC Form 1240 as submitted on July 18, 2003 for Chicopee.

Further, upon due review and consideration, the Cable Division hereby accepts as reasonable and in compliance with applicable statutes and regulations, Charter's FCC Form 1205 as submitted on July 18, 2003.

The Cable Division further finds that Charter's refund plan for Chicopee is just and reasonable and in compliance with applicable law. The Cable Division directs Charter to file, within 30 days of the payment of its refunds, a report that describes: (1) the amount of the refund credited to each subscriber's bill; (2) the total amount of the refunds paid in the community.

The attached schedule reports the previous, current, proposed and approved basic service tier programming and equipment rates for each community.

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

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