

Glossary of Cable Television Terms

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Access Channels: Cable channels, including public, educational, and governmental, made available to community members on a free or leased basis either with or without studio and production facilities. An Issuing Authority may require that such channels be provided as part of a licensing agreement. The cable operator may not exercise editorial control over the programming on these channels, except that a cable operator may refuse to transmit any programming that contains obscenity or indecency, 47 U.S.C. § 531 (compare *Local Origination*).

Access Corporation: A corporation organized within a municipality for the purpose of operating that municipality's access channel(s).

Analog: Technology originally designed for transmitting voice (e.g., telephones) where signals are sent as electromagnetic waves. For video service, the signal is sent from the television broadcaster to the local cable operator to the subscriber's home. Along the way, there are a series of amplifiers; however, the manner in which the signal is sent is analogous to making a photocopy of a photocopy of a photocopy so that by the time the signal gets to the subscriber's home, the quality of the picture or audio may not be as clear as the original, meaning there may be snow or noise interference (compare *Digital*).

Ascertainment: A process that affords the public with an opportunity to comment and participate during the initial licensing of a cable operator or the renewal licensing of the incumbent cable operator. It is also a period of time for the Issuing Authority to gather data and review the cable operator's past and present performance and to identify the community's future cable-related needs and interests.

Basic Service Tier (also referred to as *BST*). Lowest level of service available and required by federal law to include, at a minimum, the retransmission of local television broadcast signals and local public access channels. Rates for the basic service tier are the only programming rates currently regulated.

Black Box: Term used to describe a cable television descrambling device that receives, converts, and decodes scrambled signals without proper authorization from the cable operator. Black boxes are illegal; more information can be found on the Cable Television Theft Fact Sheet at the Cable Television Division's website (www.state.ma.us/dpu/catv).

Blackout: Term used to describe the non-broadcast of a live event (e.g., sports, cultural) usually imposed by the sponsor(s) of the event (e.g., NFL).

Broadband: Descriptive term for evolving digital technologies that provide consumers with a single-switched facility offering integrated access to voice, video, video-on-demand, high-speed data (Internet), and interactive information delivery.

Cable Advisory Committee (also referred to as *CAC*): Appointed by the Issuing Authority, and its role varies according to the authority defined by the Issuing Authority. Typical responsibilities include informing and educating the public about cable television service, overseeing the ascertainment process, acting as liaison to the cable operator, supervising the cable operator's response to complaints, responding to residents' questions regarding the cable system, and staying abreast of community programming issues.

Converter: Equipment authorized by and often provided by a cable operator for a fee that allows access or controls interference to cable services. Both analog and digital converters are currently available. Analog converters use traditional radio wave technology and provide programming through the one-way transmission of information from the cable operator to the subscriber. Digital converters use computer technology and provide two-way transmission resulting in access to digital programming and interactive services, such as the on-screen purchase of pay-per-view movies and on-screen television guides (see *Black Box*, *Descrambler*, and *Set-Top Box*).

Cable Programming Service Tier (also referred to as *CPST*): Unregulated service tier that typically includes channels such as CNN, ESPN, Lifetime, MTV, and Nickelodeon. Subscribers wishing to obtain CPST programming must subscribe to the basic service tier and in some circumstances must rent or purchase a converter.

Cramming: Term used to describe the situation where a consumer is charged for services or equipment that the consumer did not request.

Designated Market Area (also referred to as *DMA*): Standard established by Nielsen Media Research used to determine a broadcast station's market area. The FCC adopted this standard under which broadcast stations are given options of carriage by either selecting mandatory carriage (must carry) or retransmission consent (may carry) for each cable system operating within the broadcast station's DMA.

Descrambler: An electronic circuit that restores an intentionally scrambled video signal to its original standard form. Descrambling technology is legal when the device is authorized by the cable operator and illegal when used to obtain services not purchased through the cable operator (see *Black Box*, *Converter*, and *Set-Top Box*).

Digital: Computer technology that transmits signals by breaking up the message into electronic bits, sending the message over the network, and recreating the message at the other

end. Since the signal is recreated at the end location, the system is less sensitive to interference such as noise and snow. In addition, digital technology allows for compression so that more channels can be carried. Often cable operators who utilize digital technology will offer digital cable television, high-speed data (Internet), and digital telephone services (compare *Analog*).

Distant Signal: A television channel from another market (DMA) imported and carried locally by a cable television system, e.g., “Superstation” WTBS Channel 17-Atlanta.

Effective Competition: Where two or more cable operators provide service in the same municipality, one or both of the cable operators may seek a determination from the Federal Communications Commission (“FCC”) that there is sufficient competition to control basic service tier (“BST”) rates and thus government regulation is no longer required. If the FCC grants the cable operator’s petition, the FCC deems the municipality to have effective competition and revokes the Cable Television Division’s authority to establish BST rates for the cable operator in that municipality.

Equal Opportunity Rule: If a political candidate obtains time on a broadcast station, other candidates for the same office may obtain an “equal opportunity” on that station. Equal opportunity usually includes equal time, but the term means more than equal time. For example, it means the right to obtain time in a period likely to attract approximately the same size audience as the period in which the opposing candidate appeared. Bona fide news programming is exempt, meaning that a news program may determine one candidate is especially newsworthy on a specific occasion and does not need to provide equal coverage or opportunity to the other candidate(s). The equal opportunity rule applies to local origination channels and broadcast channels; it does not apply to access channels which are handled on a first-come first-served, nondiscriminatory basis.

Federal Communications Commission (also referred to as *FCC*): Federal agency responsible for the regulatory oversight of the communications infrastructure in the United States.

Franchise Fee: Under federal law, non-capital costs relating to license requirements are considered franchise fees and may be passed on to subscribers. For example, local officials, in negotiating the cable license, may require cable operators to set aside channels for public, educational, or governmental use. The monies spent to maintain the access studio, equipment, and personnel are considered franchise fees and may be passed on to subscribers. A municipality may request up to five percent of the cable operator’s annual gross revenue from operating in the municipality less the required License Fee. Additional information can be found on the Fact Sheet on Regulated and Negotiated Fees and Taxes at the Cable Television Division’s website (<http://www.state.ma.us/dpu/catv/FactSheet/franfees.pdf>) (compare *License Fee*; see *Pass-Through Costs*).

Franchise Related Costs (also referred to as *FRCs*): Any capital expenses incurred by the cable operator as a result of required public, educational, and governmental channels, such as purchasing or upgrading access equipment and facilities. These franchise related costs may be recovered from subscribers through basic service tier rates or alternatively, may be listed as a separate fee on subscribers' monthly bills.

Franchising Authority: Legal term for governmental entity authorized to regulate rates, oversee the licensing process, and enforce customer service standards. In Massachusetts, the Cable Television Division of the Department of Telecommunications & Energy is the Franchising Authority (compare *Issuing Authority*).

Grade A Contour: Field strength of a television broadcast station computed in accordance with regulations promulgated by the FCC. Line setting forth the area where broadcast signals are strong enough to be received by 90 percent of the subscribers in the specific location at least 70 percent of the time. Predicted Grade A Contour is that area in which a good picture is computed to be available (see *Local Signals* and *Must Carry*).

Grade B Contour: Field strength of a television broadcast station computed in accordance with regulations promulgated by the FCC. Line setting forth the area where broadcast signals are strong enough to be received by 90 percent of the subscribers in the specific location at least 50 percent of the time. Predicted Grade B Contour is that area in which a good picture is computed to be available (see *Local Signals* and *Must Carry*).

Headend: The electronic control center of a cable system. This is the site of the receiving antenna and the signal processing equipment essential to proper functioning of a cable system.

High Definition Television (also referred to as *HDTV*): Improved television system that provides approximately twice the vertical and horizontal video resolution of existing standards and audio quality approaching that of compact discs. The result is an enhanced picture and audio quality.

Homes Passed: Those homes within a municipality that are located close enough to a cable line to be able to connect with cable service, regardless of whether those households actually opt to subscribe to the cable service.

Information Requests: Prehearing discovery in the nature of interrogatories and requests for documents, Mass. R. Civ. P. 33, 34.

Institutional Network (also referred to as *I-Net*): A separate closed loop network for municipal institutional use only. Used to connect police, fire departments, town or city hall, and schools; can contain both video and data; can also be used to monitor heat, light, and security systems.

Issuing Authority: Legal term for the governmental entity authorized to grant a license or franchise to a cable operator. Under Massachusetts law, the Issuing Authority is either the Mayor of a city, the Board of Selectmen of a town, or the city manager of a city with a plan D or E charter (compare *Franchising Authority*).

License or Franchise: An agreement between the Issuing Authority and the cable operator that authorizes the construction or operation of a cable system. It also establishes the terms and conditions of cable television service such as the length of the contract, customer service standards, and procedures for funding access channels. Under Massachusetts law, the term of an initial license may not exceed fifteen years and the term of a renewal license may not exceed ten years.

License Amendment: Formal change in the terms and conditions of an existing license. The procedure for license amendment is found in 207 C.M.R. § 3.07.

License Fee: A fee of \$1.30 per subscriber per year that cable operators are required to pay pursuant to Massachusetts law to offset the cost of regulation. The License Fee is divided between the municipality and the Commonwealth with the municipality receiving 50 cents and the Commonwealth receiving 80 cents (compare *Franchise Fee*).

License or Franchise Renewal: Contract executed by the Issuing Authority and the cable operator that renews the authorization to operate a cable system. Under Massachusetts law, the term of a renewal license may not exceed ten years.

Line Extension: Construction of a cable line in an area that falls outside or exceeds the primary service area as defined in the license. The cable operator may require that subscribers pay for the extra costs involved in laying cable to this geographical area. (See also *Primary Service Area*; compare *Non-Standard Installation*).

Local Origination: Cable channel owned and operated by the cable operator and over which the cable operator may exert editorial control. Typically carries programs of local interest and local advertising and may carry public, educational or governmental programming if provided for in the license. (compare *Access Channels*).

Local Signals: Stations falling within the Predicted Grade B Contour (see *Grade B Contour* and *Must Carry*).

Multiple System Operator (also referred to as *MSO*): A cable operator that owns two or more cable systems, meaning service is provided in two or more distinct geographic areas. Adelphia, Charter, Comcast, Cox, RCN, and Time Warner all qualify as MSOs.

Must Carry: Refers to situation where commercial and noncommercial television broadcast stations are considered local to the area served, and therefore the cable operator is required to provide the channel on the basic service tier in that area (see *Local Signals*).

Non-Duplication Rules: Restrictions placed on cable television systems that prohibit the providing of programming from outside the service area if the programming is simultaneously available on a local channel.

Non-Standard Installation: Installation of cable service or a drop line that exceeds the standard installation distance specified in the license, which is typically greater than 150 feet from the cable line existing on a public road. The cable operator may charge the subscriber for the costs of laying the cable this extra distance (compare *Line Extension*).

Obscenity and Indecency: The United States Supreme Court set forth a three-prong test to be used in determining whether individual programming constitutes obscene or indecent speech. More information may be found on a fact sheet at the FCC's website (www.fcc.gov).

Overbuild: When a competing cable operator builds a cable network system in an area already serviced by a cable operator, this competing cable operator is known as an overbuilder.

Parental Lock Capability: Option available on some televisions that allows user to block access to channels (see *V-Chip*).

Pass-Through Costs: Certain costs that may be recovered directly from subscribers (see *Franchise Fee* and *License Fee*).

Pay-Per-View: Programming, typically movies or special events, that a subscriber specifically requests to receive for a single fee added to the monthly cable bill. Some cable operators have the capability of determining whether the pay-per-view program was purchased via telephone or by on-screen interactive remote control and whether the converter channel was then set on the appropriate movie channel in order to receive the programming. Rates for pay-per-view programming are not regulated.

PEG: Public, educational, and governmental channels (see *Access Channels* and *Local Origination*).

Premium Channels: Channels not included in a cable operator's regular service tiers. HBO and Showtime are examples of premium channels. In order to obtain premium channels, cable operators are allowed to require that the subscriber purchase the basic service tier, rent or purchase a converter box, and pay additional fees. Rates for premium channels are not regulated.

Primary Service Area: The geographical area within the municipality designated by the Issuing Authority and the cable operator as the area where cable lines will be laid and cable service will be made available to all residents.

Rebuild: Process where the cable television system in a municipality is reconstructed as if there were no existing wires or capabilities (compare *Upgrade*).

Record Request: Where fault of memory or complexity of subject precludes a responsive answer by the witness at the hearing, a request for written response may be issued. The response to the record request is part of the record and the evidence, unless challenged as unresponsive and expunged in whole or part.

Renewal Proposal: Application presented by cable operator to municipality setting forth its plan regarding the rights and responsibilities of both parties in providing cable services to the municipality. Typically outlines the cable operator's recommended term and conditions for the renewal contract. When presented as formal proposal, application must include Massachusetts Form 100.

Request for Proposal (also referred to as *RFP*): Documentation provided to cable operator(s) by municipality seeking to initiate original licensing or renewal process. Outlines what the municipality expects the cable operator(s) to include in the proposed contract and includes questions that require the cable operator's response.

Renewal Window: Refers to the 3-year period, beginning 36 to 30 months prior to a license's expiration, during which a municipality may renew a license following the Formal Renewal Process.

Service List: List of parties and limited participants in a proceeding. Persons named on the service list receive all documents issued in the case.

Service Tier: Grouping of cable channels for which a separate rate is charged by the cable operator.

Set-Top Box: Equipment authorized by and often provided by a cable operator in a subscriber's home that allows access to or controls interference from cable services (see *Black Box*, *Converter*, and *Descrambler*).

Signal Bleed or *Signal Leakage:* Excessive levels of radio frequency (RF) energy that leak from cable television systems. Leaks can cause interference to communications users, including safety service users such as aviation, police, and fire departments. FCC rules specify the maximum RF leakage and require that cable television systems be operated within

certain guidelines. Term also refers to video or audio coming through on a scrambled channel.

Small System: A small system is defined by Federal Regulations as “a cable television system that serves 15,000 or fewer subscribers. The service area of a small system shall be determined by the number of subscribers that are served by the system’s principal headend, including any other headends or microwave receive sites that are technically integrated to the principal headend.” 47 C.F.R. § 76.905(c).

Upgrade: Process where cable television system is modified through the addition of electronic components capable of providing enhanced services. Upgrade typically occurs on a municipality basis (compare *Rebuild*).

V-Chip: System that is built into television sets and allows users to screen out, based on television ratings, programs they do not want household members to watch. Those subscribers with older television sets may need to purchase a set-top box that utilizes V-Chip technology in order to access this feature (see *Parental Lock Capability*).

Sources: Communications Act of 1934, as amended, Section 601, et seq., 47 U.S.C. § 521, et seq.; 47 C.F.R. § 76.1 et seq.; Federal Communications Commission website (www.fcc.gov); National Cable & Telecommunications Association website (www.ncta.com); *The Essential Guide to Telecommunications*, Annabel Z. Dodd (1998).