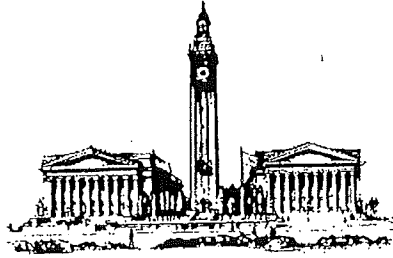


**Kathleen T. Breck**  
**Deputy City Solicitor**

Law Department  
36 Court Street, Room 210  
Springfield, MA 01103  
Office: (413) 787-6085  
Direct Dial: (413) 787-6179  
Fax: (413) 787-6173  
Email: [kbreck@springfieldcityhall.com](mailto:kbreck@springfieldcityhall.com)

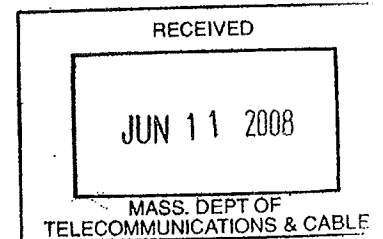


**THE CITY OF SPRINGFIELD, MASSACHUSETTS**

June 10, 2008

**By Fedex Overnight Delivery Service**

Alejandra K. Hung, Esquire  
Hearing Officer  
Department of Telecommunications and Cable  
Two South Station  
Boston, MA 02110



RE: Comcast Form 1240 Filing for Springfield DTC 07-6 -  
Information and Testimony from the Issuing Authority

Dear Ms. Hung:

We are writing to you today on behalf of Mayor Domenic J. Sarno, statutory Issuing Authority for the City of Springfield, Massachusetts (the "Issuing Authority" or "City"), in order to provide information and testimony regarding Comcast's FCC Form 1240 filing.

The Issuing Authority asserts that Comcast has failed to comply with applicable laws, regulations and the Springfield Cable Television Renewal License (the "Renewal License"), with an effective date of January 29, 2000, in its rate structure. In particular, the Issuing Authority has focused on Attachment 6 of the Form 1240 regarding Comcast's franchise-related costs. The Issuing Authority believes that Comcast has impermissibly passed a number of costs through to its Springfield subscribers in contravention of explicit provisions in the Renewal License.

**Discussion**

In the Renewal License, Comcast agreed not to charge its Springfield subscribers for a number of the financial commitments that it entered into. Section 8.1 (d) of the Renewal License explicitly states:

The Issuing Authority and the Licensee, in consideration of the mutual promises and undertakings reflected in this Renewal License, agree that the cost of PEG [public, educational and governmental] Access and license requirements contained in Sections 3.5 (Construction of an Advanced Institutional Network), Section 6.1 (PEG Access/Local Origination Channels and Support), Section 6.2 (Community Studio and Equipment), Section 6.3 (Operation of Community Studio; Staff and

Alejandra K. Hung, Esquire  
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Support), Section 6.4 (Funding for Telecommunications and Economic Development Fund) and Section 8.2 (Senior Discount) *will not be passed through as external franchise related costs to Subscribers so long as this Renewal License remains in force and effect, notwithstanding any provision of law, as may be amended, to the contrary.*

(Emphasis added).

Comcast's obligation not to pass-through these enumerated costs remains valid and enforceable. The Renewal License remains in full force and effect. Comcast has contractually agreed not to pass through such costs to Springfield subscribers, "notwithstanding any provision of law, as may be amended, to the contrary". Renewal License, Section 8.1(d). However, it is clear that Comcast has passed through most, if not all, of the costs that Section 8.1(d) prohibits it from passing through.

This commitment not to pass-through such costs to subscribers was confirmed by MediaOne, (predecessor to Comcast), in a memorandum summarizing the various in-kind benefits required by the Renewal License (discussed below), and MediaOne's requirement that it not pass-through such costs to Springfield subscribers. See Memorandum dated February 25, 1998, attached hereto as Attachment 1. Mayor of Springfield and MediaOne's Corporate Counsel mutually signed a letter, dated February 25, 1998, that attested to the accuracy of the summary and agreeing that both parties would abide by it, which letter is attached hereto as Attachment 2.

Based on its 2008 franchise-related-cost ("FRC") sheet (see Attachment 3), Comcast is charging each Springfield subscriber \$1.26 per month for costs that Section 8.1(d) of the Renewal License prohibits Comcast from passing-through. For the previous twelve (12) month period, Comcast charged each Springfield subscriber \$1.36 per month (see Attachment 4). Included in the 2008 FRC Sheet are the following items that Comcast is prohibited from passing-through to subscribers, either contractually or otherwise:

(1) I-Net Costs: In Section 3.5 of the Renewal License, entitled "Construction of an Advanced Institutional Network", Comcast was required to construct "... a new, advanced Institutional Network ("I-Net")..", the cost of which would not exceed \$1,600,000.00. The City and Comcast agreed in October 2002 to amend this provision so that Comcast would provide the \$1,600,000.00 directly to the City in lieu of building the I-Net. Comcast did provide the City with the \$1,600,000.00 and is passing that cost through to subscribers at an interest rate of 11.25%. Each Springfield subscriber pays Comcast \$.40 per month for the I-Net. While Section 8.1(d) clearly states that such costs cannot be passed-through to subscribers, Comcast has nonetheless done so. Subscribers have paid varying amounts over the years, including \$.41 per month from February 2007 through February 2008.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to rebate any and all I-Net overcharges related to the \$1,600,000.00 back to Springfield subscribers, with interest for the period of such overcharges.*

(2) Prior Operating Costs: Comcast is charging Springfield subscribers \$1.00 per month for "Prior Operating (includes \$75K for WGBY-57)". The principal payment amount is

Alejandra K. Hung, Esquire  
June 10, 2008

\$475,000.00. While the FRC Sheet refers to a payment date of January 29, 2000, there was no such payment made to the City on such date. In addition, there is no such requirement in the current Renewal License, and therefore there is no legal basis and no authorization to charge this amount to Springfield subscribers. It appears that the \$475,000.00 applies to operating funding required under a Cable Television Final License issued over 26 years ago, dated April 29, 1982, which was originally granted to Continental Cablevision of Springfield, Inc. ("Continental"). However, it is unclear exactly what this \$475,000.00 principal amount refers to. It is even *less clear* how Comcast can still be amortizing franchise costs from a license granted over twenty-five (25) years ago, which expired more than eleven (11) years ago. Note that the charge was \$1.03 per subscriber in 2007.

Section 23(b) of the 1982 Final License required that Continental "provide an annual operating budget of \$400,000.00" to staff, operate and maintain access and local origination facilities and equipment in Springfield. To the City's knowledge, this \$400,000.00 requirement was never amended by the parties but would have ceased at the end of the Final License term. Again, the Final License did not refer to \$75,000.00 payments to WGBY and, in any case, such payments, if required, were not required after April of 1997. Despite this, the current FRC Sheet includes the parenthetical referring to "\$75,000.00 for WGBY-57". There is no reference to this payment in the current Renewal License, and no legal basis and no authority for Comcast to charge any amount for this cost to Springfield Subscribers.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to rebate any and all overcharges related to the \$475,000.00 back to Springfield subscribers, with interest for the period of such overcharges.*

(3) Prior I-Net Maintenance: Comcast is further charging Springfield subscribers \$.15 per month for "Prior I-Net Maintenance @ \$815.98". The principal payment amount is \$70,990.00. While the FRC Sheet refers to a payment date of January 29, 2000 for the \$70,990.00, there is no longer such a requirement in the current Renewal License. In October of 2002, the City and Comcast signed an amendment that deleted the requirement for Comcast to continue to operate its then-current Institutional Network ("I-Net"). (See Attachment 5). Prior to the Amendment, Comcast was required to connect the forty-seven (47) buildings identified in Appendix B of the Final License to the I-Net. Ostensibly, maintaining an 87 mile I-Net that connected 47 buildings cost Comcast \$70,990.00 per year, which it passed-through to Springfield subscribers.

However, as part of the 2002 Amendment, Comcast was required to construct and maintain a video return line that connected only three (3) buildings in the City: (1) City Hall; (2) the Van Sickel School; and (3) the Springfield Library and Museums. The Cable Division should note that two (2) of these three (3) buildings are in close proximity to one another, with the third building, the Van Sickel School, is less than four (4) miles away. It is inconceivable that Comcast is paying \$70,990.00 to maintain this 3-building network, even though Comcast continues to charge each Springfield subscriber \$.15 per month to do so.

*The Issuing Authority hereby requests that the Cable Division confirm the exact costs to Comcast to maintain the 3-building network and instruct Comcast to rebate any and all I-Net*

Alejandra K. Hung, Esquire  
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*related overcharges back to Springfield subscribers, with interest for the period of such overcharges.*

(4) Prior Capital: Comcast is also charging its Springfield subscribers another \$.11 per month for "Prior Capital". The principal payment amount is \$533,333.00, with a payment date of January 29, 2000. It is being amortized over the 10-year Renewal License term. However, similar to the other costs charged to subscribers discussed above, there is no requirement in the Renewal License for \$533,333.00 in capital. It is not clear how Comcast arrived at this figure or why Comcast appears to be continuing to charge subscribers for costs attributed to a previous license.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to rebate any and all overcharges related to the \$533,333.00 back to Springfield subscribers, with interest for the period of such overcharges.*

(5) Equipment for Community Center: Comcast includes a line-item for "\$300,000.00 equipment for community center", without an FRC, and without a payment amount. Ostensibly, Comcast is showing a franchise requirement but not making this an FRC as Comcast is prohibited from doing so by Section 8.1 of the Renewal License. The Issuing Authority, however, believes that listing this item on the FRC Sheet inappropriate and should be removed from such forms.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to remove this item from the FRC Sheet.*

(6) Operating Budget: Comcast also includes a line-item for an "Operating Budget" of \$300,000.00 annually. Again, there is no corresponding FRC or payment amount. Ostensibly, Comcast is again showing a franchise requirement but not making this an FRC as Comcast is prohibited from doing so by Section 8.1 of the Renewal License. Unfortunately, Comcast has not provided the \$300,000.00 annually as required, and the Issuing Authority has sent a letter of non-compliance to Comcast in this regard. The Issuing Authority believes that listing this item on the FRC Sheet is inappropriate and it should be removed from such forms.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to remove this item from the FRC Sheet.*

(7) I-Net Maintenance: Comcast also includes a line-item for an "I-Net Maintenance 87 miles @ \$482-\$41,934.00" annually. Again, there is no corresponding FRC or payment amount. Ostensibly, Comcast is again showing a franchise requirement but not making this an FRC. However, as discussed above, there is no longer an I-Net requirement in the Springfield Renewal License, or an I-Net. Clearly, there can be no I-Net maintenance charges for 87 miles of plant when there is no longer an I-Net. The Issuing Authority believes that listing this item on the FRC Sheet is inappropriate and it should be removed from such forms.

*The Issuing Authority hereby requests that the Cable Division instruct Comcast to remove this item from the FRC Sheet.*

Alejandra K. Hung, Esquire  
June 10, 2008

**Request for Relief**

It is the Issuing Authority's position that Section 8.1(d) of the current Renewal License, referenced on page 1, constitutes a clear, knowing, binding and enforceable commitment on the part of Comcast not to pass-through as an external FRC any of the enumerated franchise-related-costs .."so long as th[e] Renewal License remains in force and effect, notwithstanding any provision of law, as may be amended, to the contrary." Clearly, the Renewal License remains in force and effect. Clearly, Comcast made the commitment "notwithstanding any provision of law, as may be amended, to the contrary." This is an important point: Comcast knowingly agreed to the limitation notwithstanding any provision of law to the contrary. Yet, despite those clear contractual commitments, and the same written, supporting commitments made by Comcast to the City, provided in Attachment 2, Comcast has passed-through to Springfield subscribers the very costs that it contractually agreed would not be passed-through. The Issuing Authority requests that the Cable Division review all of the supporting documents herein and the City's arguments herein and make a finding that Comcast has indeed impermissibly passed-through the enumerated costs that it clearly committed to not pass-through. Springfield subscribers should be rebated all such impermissibly passed-through costs, with interest.

**Cable Division Enforcement of Contractual Limits on Pass-Throughs**

The Issuing Authority maintains there is precedent for the Cable Division to enforce the Section 8.1(b) pass-through limitations in the Renewal License. In a 2003 decision, Docket No. CTV 02-2 (February 19, 2003), the Cable Division discussed contractual limitations on the pass-throughs of FRCs (See Section E: Negotiated Franchise Related Cost Pass-Throughs"). The Cable Division stated that:

Although Issuing Authorities may not condition renewal of a license on negotiated rates for cable service, **Issuing Authorities often negotiate with cable operators as to the amount of FRCs that will be recovered from, ie, pass through to, subscribers.** (See p. 9) (Emphasis added)

In two (2) communities, the Cable Division found that:

The language contained in the Beverly and Danvers licenses is clear: the parties intended to reduce subscriber liability for FRCs.

The Cable Division found that the operator (in this case, AT&T Broadband) had, in fact, "...agreed to forego including these FRCs in its rates". Consequently, the Cable Division ordered AT&T to "...remove the FRC amounts in question from the rate forms..."

The Cable Division then summarized its position on contractual FRC language:

The Cable Division's findings in this section demonstrate the importance of license provisions. Any agreement reached between an issuing authority and a cable operator that has rate implications must spell out, in unambiguous terms,

Alejandra K. Hung, Esquire  
June 10, 2008

how the provisions are to be treated for regulatory purposes. Moreover, Issuing Authorities and cable operators should make certain that they understand how any agreement containing pass-through of FRCs or other rate-related issues will actually affect the rates paid by subscribers....When unambiguous terms such as "pass-through" are used in a license provision, the Cable Division is provided with the means of determining the appropriateness of the proposed BST MPR. (See p. 11).

The Issuing Authority contends that the language in Section 8.1(d) of the Springfield Renewal License, repeated below, is clear and unambiguous for several reasons.

The Issuing Authority and the Licensee, in consideration of the mutual promises and undertakings reflected in this Renewal License, agree that the cost of PEG [public, educational and governmental] Access and license requirements contained in Sections 3.5 (Construction of an Advanced Institutional Network), Section 6.1 (PEG Access/Local Origination Channels and Support), Section 6.2 (Community Studio and Equipment), Section 6.3 (Operation of Community Studio; Staff and Support), Section 6.4 (Funding for Telecommunications and Economic Development Fund) and Section 8.2 (Senior Discount) will not be passed through as external franchise related costs to Subscribers so long as this Renewal License remains in force and effect, notwithstanding any provision of law, as may be amended, to the contrary.

+ First, the parties agreed and listed the enumerated costs that would not be passed-through as external FRC's. In its supporting documents to the City, included herein as Attachment 2, MediaOne repeatedly pointed to the dollar value of these various items.

+ Second, the parties agreed that the cost of the enumerated provisions would not be "passed-through" to Springfield subscribers.

+ Third, the contractual limitation on the FRC pass-through was "notwithstanding any provision of law, as may be amended, to the contrary." That is "any provision of law." Comcast cannot now claim that it was "required" by law to pass through the costs listed in Section 8.1(d,) when it explicitly agreed that any such laws, then existing or as amended in the future, would have no bearing on this contractual commitment.

+ Fourth, the Renewal License remains in "force and effect" today.

#### *City's Requests for Information from Comcast*


The Issuing Authority has served a number of separate information requests on Comcast regarding the FCC Form 1240 and FRCs, by certified mail. The Cable Division has been copied on that mailing.

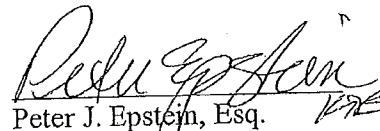
Alejandra K. Hung, Esquire  
June 10, 2008

Conclusion

The Issuing Authority appreciates the Cable Division's assistance in this matter. Please let us know if you have any questions about the issues raised herein.

Sincerely,

  
Kathleen T. Breck  
Deputy City Solicitor

  
Peter J. Epstein, Esq.  
Epstein & August, LLP  
101 Arch Street, Suite 900  
Boston, Massachusetts 02110

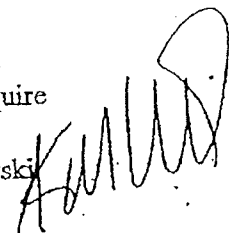
KTB/PJE/  
Attachments

cc: Mayor Domenic J. Sarno, Issuing Authority  
John T. Liebel, Esq., Chief of Litigation  
Edward M. Pikula, Esq., City Solicitor  
Stephen P. Lisauskas, Executive Director  
Springfield Finance Control Board

ATTACHMENT 1

MEMORANDUM

TO: Gary A. Shepard  
Susan Eid, Esquire  
Jeffrey Fialky, Esquire

FROM: Kevin M. Walkowski 

DATE: February 25, 1998

RE: Cable Television Renewal License Proposal

CC: Mayor Michael J. Albano  
Peter P. Fenton, Esquire

The following summarizes the significant aspects of the proposed cable television renewal license. Total estimated cost to Media One over the term of the renewal license is \$32.9 million.

Term of Renewal License. The renewal license would be for a term of ten (10) years, the maximum term under applicable Massachusetts law, commencing on January 29, 2000.

Cable System Rebuild and Upgrade. ~~The entire cable television system serving City subscribers would be rebuilt and upgraded to a 750 MHz hybrid fiber coaxial or HFC network. The B-side of the current system would be eliminated under the provisions of the proposal. Cost to Media One is estimated at \$20 million.~~

In-kind Benefits. Media One would pay five percent (5%) of gross revenues annually to the City as in-kind benefits in the form of: (1) senior citizen discounts; (2) community television center management and maintenance expenses; (3) institutional network ("I-Net") rebuild, management and maintenance expenses; and (4) a guaranteed \$320,000.00 per year payment to Springfield Media and Telecommunications Group, Inc., a non-profit corporation. Estimated cost to Media One for all in-kind benefits over the term of the renewal license is \$12.9 million.

No Pass-Through of In-Kind Benefits. Notwithstanding any law or regulation to the contrary, the City and Media One would waive any rights under applicable law to pass on the cost of in-kind benefits to City cable television subscribers, i.e., the subscribers' monthly cable television bills would *not* increase as a result of Media One's payment of in-kind benefits to the City.

Senior Citizen Discount. The current discount of ten percent (10%) for the standard service package would remain in place for head-of-household seniors aged sixty-two (62) years and over. No needs-based test would be applied to determine eligibility for the discount. Estimated cost to Media One is \$3.2 million over the life of the renewal license.

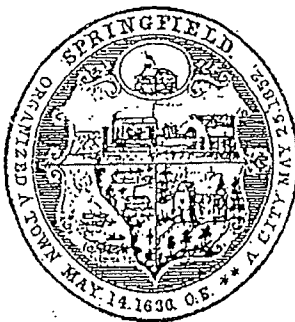


Community Telecommunications Center. The City would construct a 5,000 square foot Public Education and Government ("PEG") access studio and local origination studio at one of its public schools, and Media One would provide (at no cost to the City and without any cost pass-through to subscribers) \$300,000.00 in equipment in order to create an advanced television production facility. The community telecommunications center would be provided rent-free to Media One during the ten (10) year term of the renewal license, but the community telecommunications center would be staffed by Media One employees, and Media One would be responsible for all operation, management and maintenance of the studio. Estimated cost to Media One is \$3.6 million, plus \$300,000.00 for equipment, over the life of the renewal license.

I-Net Rebuild, Management and Maintenance. Media One would spend \$1.6 million to build a new fiber optic I-Net with the capability to handle high speed data and video. The I-Net would link municipal buildings, public schools, the public library, public museums and police and fire locations. Media One would be responsible for all I-Net management and maintenance. Estimated cost to Media One is \$2.5 million over the life of the renewal license.

Telecommunications Fund Payments. Media One would pay a guaranteed in-kind benefit of \$320,000.00 per year payment to Springfield Media and Telecommunications Group, Inc., a non-profit corporation, for the uses set forth in the corporation's articles of organization. Estimated cost to Media One is \$3.2 million over the life of the renewal license.

Start-up Costs of Springfield Media and Telecommunications Group, Inc. Media One would pay an additional one-time only in-kind benefit of \$100,000.00 to help defray City expenses incurred in connection with the start-up costs associated with the formation of Springfield Media and Telecommunications Group, Inc.



COPY

THE CITY OF SPRINGFIELD, MASSACHUSETTS

MAYOR MICHAEL J. ALBANO

February 25, 1998

VIA FACSIMILE AND  
FIRST-CLASS MAIL

Susan Eid, Esquire  
Vice President and Corporate Counsel  
Media One  
6 Campanelli Drive  
Andover, MA 01810

RE: Cable Television Renewal License

Dear Ms. Eid:

I have enclosed a copy of a memorandum dated February 25, 1998 prepared by Associate City Solicitor Kevin M. Walkowski (the "Memorandum") that sets forth the material provisions of the cable television renewal license as negotiated by and between the City of Springfield and Media One. The Memorandum is attached hereto and made a part hereof.

As issuing authority under applicable law, I hereby agree that the Memorandum accurately summarizes the material terms and conditions of the cable television renewal license, and I further agree to direct Attorney Walkowski and Director of Economic Development Gary A. Shepard to negotiate a formal renewal license agreement incorporating the terms and conditions set forth in the Memorandum. I anticipate that the final form of agreement may be completed for execution on or before March 15, 1998.

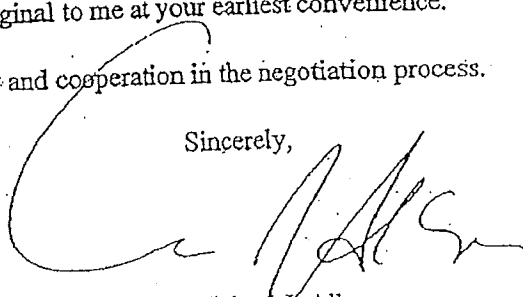
City of Springfield • 36 Court Street • Springfield, MA 01103 413-787-6100

Susan Eid, Esquire  
February 25, 1998

If you agree that the Memorandum correctly memorializes the material terms and conditions of the agreement by and between the City of Springfield and Media One, and if you further agree to negotiate expeditiously a formal cable television renewal license incorporating the terms and conditions set forth in the Memorandum, then please have an authorized officer of Media One sign and date this letter agreement in the space provided below. I have executed this letter agreement in duplicate so that each party may retain an executed original for its files. Kindly return one fully executed original to me at your earliest convenience.

Thank you for your courtesy and cooperation in the negotiation process.

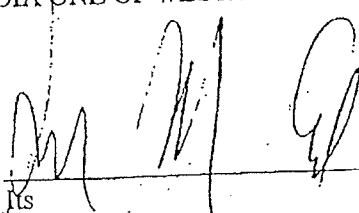
Sincerely,



Michael J. Albano  
Mayor and Issuing Authority

Agreed as to the foregoing:

MEDIA ONE OF WESTERN NEW ENGLAND, INC.

By:   
Its \_\_\_\_\_

Dated: 3-4-98

**AMENDMENT NO. 2  
TO THE SPRINGFIELD  
RENEWAL CABLE TELEVISION LICENSE**

WHEREAS, on or about August 8, 1999, the CITY OF SPRINGFIELD, a municipal corporation with a principal place of business at 36 Court Street, Springfield, MA 01103, acting by and through its Mayor ("City"), has granted a Renewal Cable Television License ("License") to MEDIAONE OF WESTERN NEW ENGLAND, INC., a Delaware Corporation with a principal place of business in Massachusetts at 6 Campanelli Drive, Andover, MA 01810 ("Licensee"); and

WHEREAS, the term of the License runs from January 29, 2000 to January 28, 2010;

WHEREAS, the City and the Licensee desire to change certain terms of License; and

WHEREAS, the City and the Licensee have complied with the procedural requirements for amending the License as set out in Code of Massachusetts Regulations title 207, Section 3.07;

NOW THEREFORE, the parties agree to amend the License as follows:

- 1) By deleting the existing Section 9.3(a)(1) in its entirety and substituting the following new Section 9.3(a)(1):

*The satisfactory substantial completion of the installation of the Cable Communications System outlined in Section 3.2(a) by July 31, 2003, and operation of the Cable System in accordance with C.D.C. 1994 §5(a), (m) and (n).*

- 2) By deleting the existing Section 9.3(b) in its entirety and substituting the following new Section 9.3(b):

*During the period of upgrade and/or rebuild construction this bond shall be in the amount of Two Hundred Thousand Dollars (\$200,000).*

- 3) By deleting the existing Sections 3.4 and 3.5 in their entirety and substituting the following new Section 3.4:

*The Licensee shall construct and maintain a video return network to allow for live video and audio transmissions from City Hall, the Community Telecommunications Center at the Kan Stickle School, and the Springfield Library and Museum on State Street in Springfield. Such video return network shall be constructed and completed consistent with the construction of the Cable Communications System. Such return network shall provide capability to broadcast live all Springfield City Council meetings, Springfield City Hall events and Springfield Library and Museum events over the Cable Communications System. The Springfield City Hall and the Springfield Library and Museum shall have direct fiber optic/coaxial cable feeds to the Licensee's head-end facility for live and taped transmissions of broadcasts. Additionally, the Licensee shall make payment to the City in the amount of \$1.6 Million Dollars (\$1,600,000) for the removal of the \$1.6 million dollar construction requirement outlined in the original Section 3.5.*

- 4) By deleting the existing Section 3.2(c) in its entirety and substituting the following new Section 3.2(c):

*Upgrade and/or rebuild construction and activation of the Cable Communications System shall be substantially completed by July 31, 2003, although the Licensee may apply to the Issuing Authority for extension of said construction deadline; provided that such written application sufficiently states and documents that the need for such extension is for good cause and due to circumstances beyond the reasonable control of the Licensee. Among events or circumstances deemed to be beyond the reasonable control of the Licensee are: the timely performance and walk-out, make-ready and the location of underground utilities by the telephone and electric utility companies; the timely delivery of equipment by suppliers, provided the Licensee exercises due diligence in placing purchase orders for such equipment; the timely performance of contractual obligations by sub-contractors, supervising their performance and seeking compliance with any and all agreements with them; and acts of God, including severe weather conditions, provided that the Licensee uses due diligence to complete installation on or before the deadline herein.*


*Notwithstanding the foregoing, if the Licensee does not substantially complete the build-out of the Cable Communications System on or before July 31, 2003, or such later date (the "Extended Liquidated Damages date") that the City might grant in writing in the sole reasonable discretion of the City, but in no event later than September 30, 2003, the City shall have the right to assess liquidated damages in the amount of Five Hundred Dollars (\$500.00) per day for each day after July 31, 2003 or the Extended Liquidated Damages Date, whichever is later, that construction is not ninety-five percent (95%) completed. The Licensee and the City acknowledge and agree that such liquidated damages do not constitute a penalty, but represents a reasonable estimate of damages which would be incurred by the City. Such liquidated damages shall be the City's sole monetary damage remedy, but shall not affect or impair any other of the City's rights or remedies under the License.*

- 5) The Licensee will use commercially reasonable efforts to complete, in certain areas of the City of Springfield (as mutually agreed by the parties), the upgrade of the Cable Communications System by December 31, 2002;
- 6) All other terms and conditions of the License shall remain the same.
- 7) The License, this Amendment thereto, and all other amendments thereto, shall be construed under, governed by and enforced in accordance with Massachusetts law without regard to conflict or choice of law principles.

SIGNATURE PAGE

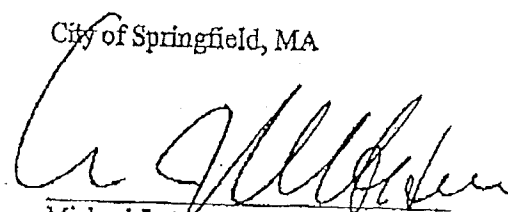
**EXECUTED** as a sealed Massachusetts instrument as of the date signed by all necessary parties, including the Mayor of the City of Springfield, as set forth below.

MediaOne of Western New England, Inc.,  
offering services as AT&T Broadband

  
David J. Grain  
Senior Vice President  
Northeast Region

Dated: 10/10/02

City of Springfield, MA

  
Michael J. Albano, Mayor

Dated: 10/11/02