



MONTGOMERY COUNTY COPY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Set Cable Television Rates Pursuant to FCC Form 1205	Executive Order No. 113-07	Subject Suffix
Originating Department DTS- Office of Cable and Communication Services	Department Number 346001	Effective Date 3/30/07

**ORDER OF THE COUNTY EXECUTIVE SETTING CABLE
TELEVISION RATES FOR EQUIPMENT AND INSTALLATIONS
FOR 2006-2007**



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ORDER OF THE COUNTY EXECUTIVE SETTING CABLE TELEVISION RATES FOR EQUIPMENT AND INSTALLATIONS FOR 2006-2007

I. BACKGROUND

1. Montgomery County, Maryland ("County"), has authority to regulate cable operator equipment and installation rates under Section 623 of the Cable Communications Policy Act of 1984, 47 U.S.C. § 543, as amended ("Cable Act"), and Montgomery County Executive Regulation No. 50-93AM (Oct. 12, 1993) ("Executive Regulation" or "ER"). The Federal Communications Commission ("FCC") has developed forms that an operator subject to regulation must file to justify equipment rates.

2. On or about April 3, 2006, Comcast Cable Communications, LLC, ("Comcast"), filed with the County FCC Form 1205, "Determining Regulated



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Equipment and Installation Costs, 'Equipment Form'" ("2006 Form 1205 Filing"), seeking the County's approval of a change in the maximum permitted rates for equipment and installation.

3. By letter dated February 8, 2007 Comcast has made an offer to resolve outstanding issues with respect to the 2006 Form 1205 Filing, which letter is appended as Attachment 1 (the "Proposed Resolution").

II. FINDINGS AND CONCLUSIONS

4. After reviewing the Proposed Resolution, the County has determined that it is in the best interests of the County and its subscribers to enter into the agreement proposed in the Proposed Resolution.



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III. ORDERING CLAUSES

IT IS THEREFORE ORDERED THAT:

5. The County adopts the rates set forth in Appendix B of the Proposed Resolution as the maximum permitted rates with respect to the 2006 Form 1205 Filing, subject to the satisfaction of the conditions in paragraph 6 herein. If those conditions are not satisfied, or Comcast in fact fails to satisfy its obligations under the Proposed Resolution, the County reserves the right to modify or rescind this rate order and the rates set forth in Appendix B.

6. The above actions are subject to the following conditions: Comcast must confirm by March 31, 2007:

(a) that the fourth condition listed in the Proposed Resolution, regarding acceptance by at least ninety percent of the communities participating in the review of the 2006 Form 1205 Filing, has been either satisfied, or waived by Comcast; and



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(b) that Comcast has not withdrawn the Proposed Resolution and will comply with each and every one of its obligations under the Offer.

7. The County issues this Order and accepts the Proposed Resolution subject to the Conditions set forth in the Proposed Resolution.

8. This Order does not approve any maximum permitted rate other than the rates approved in Appendix B. Subject to applicable FCC rules, Comcast may not levy additional charges for Form 1205-regulated equipment or activities other than those approved in Appendix B, or levy charges for Form 1205-regulated activities or equipment except where the cost of the activity or equipment was included and the rate supported in the 2006 Form 1205 Filing.

9. The County reserves all of its rights with respect to rate regulation, except with respect to those matters expressly resolved in the Proposed Resolution as accepted herein.



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10. This Order shall be effective immediately upon its approval by the County Executive, pursuant to ER § 4.1.

11. This Order shall be released to the public and to Comcast, and a public notice shall be published stating that this Order has been issued and is available for review, pursuant to ER § 4.1 and 47 C.F.R. § 76.936(b).

Isiah Leggett

3-30-07

Isiah Leggett
County Executive

Date

APPROVED AS TO FORM AND LEGALITY
OFFICE OF THE COUNTY ATTORNEY

BY: *Clifford B. Leggett*
DATE: 3/26/07

ATTACHMENT 1: PROPOSED RESOLUTION



Comcast Cable
1500 Market Street
Philadelphia, PA 19102

Peter H. Feinberg
Associate General Counsel
215.320.7934 Tel
215.320.3572 Fax

**FOR SETTLEMENT PURPOSES ONLY
INADMISSIBLE AS EVIDENCE**

February 8, 2007

Jane Lawton
Cable Administrator
Montgomery County, Maryland
Office of Cable and Communications Administration
100 Maryland Avenue, Suite 250
Rockville, MD 20850

Re: RESOLUTION of COMCAST'S FCC FORM 1205 RATES for 2006

Dear Ms. Lawton:

I am writing on behalf of Comcast Cable Communications, LLC, and its affiliates (collectively, "Comcast" or the "Company") to resolve issues related to Comcast's FCC Form 1205 for 2006 which have been identified by your consultants Ashpaugh & Sculco, CPAs, PLC and Front Range Consulting, Inc. (the "Consultants"). Comcast believes that its proposal as set forth herein, which reflects recent discussions between Comcast and the Consultants, if accepted, would minimize the substantial administrative burdens, uncertainty, and delay otherwise associated with the rate review process.

This proposal is being made to each of the franchise communities that participated in the consolidated review of Comcast's 2006 FCC Form 1205 conducted by the Consultants. The affected communities (the "Communities") are identified in Appendix A hereto.

TERMS OF AGREEMENT RE 2006 RATE REVIEW:

1. The maximum permitted equipment and installation rates for the applicable period of the 2006 FCC Form 1205 (based upon costs for the fiscal year ending December 31, 2005) will be those listed in Appendix B.

2. Based on Appendix B, if an actual rate in a particular Community exceeds a revised "maximum permitted" rate, Comcast shall lower that rate to the maximum permitted rate and issue credits to local customers without claiming the benefit of any potential refund "offsetting" in calculating the amount of refunds owed. Comcast will provide each Community a refund plan detailing the refund amounts within 45 days of the acceptance of this proposed resolution by each Community. Rate changes and credits shall be issued within 60 days of the issuance of a rate order approving equipment and installation rates consistent with those listed on Appendix B.
3. The credits will be paid in the form of a one-time bill credit, which will be identified on customer bills as "Rate Credit."

Conditions

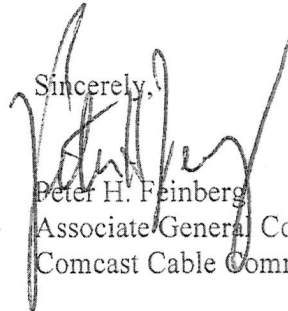
1. Comcast shall issue the credits described above regardless of a finding of effective competition in any of the Communities subject to a rate order approving equipment and installation rates consistent with those listed on Appendix B.
2. By extending this proposal, Comcast does not admit any error in the Company's established approach to the FCC Form 1205, and this offer shall not be deemed to be an admission of any such error in any civil or administrative proceeding.
3. Comcast agrees to not appeal to the FCC any Communities Rate Order that is consistent with the Terms, Conditions and rates set forth in this proposed settlement.
4. Because the Communities pursued a consolidated 2006 rate review, Comcast must proceed on a consolidated basis in extending this proposal. The proposal is therefore contingent on 90% of the Communities (as measured by customer count) adopting rate orders within twelve (12) months from the filing of the Form 1205 ("Final Approval"). If more than 10% of the Communities (as measured by

February 7, 2007

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5. customer count) fail to adopt the rate orders, Comcast reserves its right to withdraw the proposal, notwithstanding any intervening approval action in any particular Community.

Sincerely,



Peter H. Feinberg

Associate General Counsel

Comcast Cable Communications, LCC

cc: Mr. Richard Treich
Mr. Garth Ashpaugh
Rick Ellrod, Esquire

Appendix A

Participating Communities

<u>Local Franchise Authority</u>	<u>Community Unit Identification Number</u>
Montgomery County, MD	MD0236
Arlington County, VA	VA0108
West Central Cable Agency, IL	IL0847, IL0848, IL0849, IL0666, IL0871
Mountain View, CA	CA0906
Renton, WA	WA0068
Metropolitan Area Communications Commission, OR	OR0325, OR0283, OR0318, OR0326, OR0289, OR0442, OR0290, OR0317, OR0064, OR0304, OR0341, OR0330, OR0288, OR0328, OR0333, OR0242

Appendix B

Maximum Permitted Rates for the Applicable Period Related to FCC Form 1205
for 2006 (based upon costs for the fiscal year ending December 31, 2005)

<u>Installation Activity</u>	<u>Maximum Permitted Rate</u>
Hourly Service Charge	\$32.50
Unwired	\$35.35
Prewired	\$25.68
Additional Outlet – Same Trip	\$13.75
Additional Outlet – Separate Trip	\$22.42
Relocate Outlet	\$18.42
Upgrade	\$17.55
Downgrade	\$14.55
Change of Service (Addressable)	\$1.99
VCR / DVD – Same Trip	\$6.92
VCR / DVD -- Separate Trip	\$15.02
Customer Trouble Call	\$24.06
<u>Equipment Rental</u>	<u>Maximum Permitted Rate</u>
Remote Control	\$0.22
Basic - Only Converter	\$1.10
HD / DVR / HD-DVR Converter	\$6.50
Converter (All Others)	\$3.80
CableCARD	\$1.89