MFP COMMITTEE #1
December 7, 2009

MEMORANDUM

December 3, 2009

TO: Management and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser

SUBJECT: Cable Quarterly Review

Expected to attend:

Steven Emanuel, Chief Information Officer
Mitsuko R. Herrera, Cable Communications Administrator
Keith Watkins, Chief Cable Investigator
Marjorie Williams, Franchise Manager
John Cuff, Office of Management and Budget
Eric Friedman, Director, Office of Consumer Protection
Joshua Bokee, Comcast
Tara Potter and Paul Miller, Verizon
Richard Beville, RCN

Summary of staff recommendations to the MFP Committee

1. Receive briefing on cable operator activities that benefit subscribers and the broader Montgomery County community (from investments in infrastructure of existing plant to participation in community events to leadership in consumer offerings).
2. Consider appropriate communication strategies with the Executive branch in the new calendar year to receive legislative and policy briefings on cable issues affecting the County and its residents.
3. Request actual performance targets be set for the four Score Card Customer Service outcome measures selected (resolution of complaint, timeliness of resolution, outcome and Cable Office service satisfaction), and that compliance against these metrics be reported through the Score Card. A preliminary set of target goals should be developed by the Cable Office and discussed during the next quarterly meeting with approval in the summer of 2010.
4. Discuss cable operator performance concerns as highlighted on p. 4 and ©6 around customer complaint resolution statistics and request a plan of action that will improve these statistics over time.
5. Begin a discussion on improved and enhanced procedures the County can use for dealing with consumer concerns and complaints given the FCC regulatory framework, the re-launch of the Cable Compliance Commission and the capabilities of the Office of Consumer Protection
6. Ask for a workplan detailing the timing and oversight necessary to fix cable inspection violations in a timely manner.

Format change for quarterly review worksessions

The Committee chair has articulated a desire to use the quarterly cable review sessions as a way to encourage dialog among the Committee, the Cable Communications Office and Cable operators. In order to support this goal, the quarterly review **worksessions will include an element of information sharing**. During this element of the agenda, stakeholders will be able to present accomplishments, challenges and concerns for the future. In this way, a better context for the statistical analysis of performance in the Score Card will be provided, as well as opportunities for new partnerships explored in the telecommunications arena.

In this inaugural session for the new format, this sharing element will lead off the agenda.

Executive Order 209-09

On November 3, 2009, the Cable Communications Administrator provided the Committee with a memo on ©1-2 which details an agreement between the County and Comcast regarding their plans for shifting to an all-digital, encrypted environment for all channels beyond their Basic Service. Effectively, this will require each subscriber to have a digital converter box or adapter for each TV in their home in order to be able to use the majority of Comcast services. This transition is under way now, and could cause some frustration among subscribers given the impact it will have on equipment requirements and potentially higher rates; an example of such frustration from a County resident and the response

provided by the Cable office is on ©3-4. Evident is the inability of the County to do anything about the Comcast decision from being carried out.

Another issue raised by the November 3, 2009 memo is the fact that the FCC has found (and the County did not protest this finding) that effective competition exists in Montgomery County. This allows considerably more freedom for the operators, and removes the County from a role to regulate pricing on basic services and equipment in all but a small area of the County. This underscores the importance of maintaining an active interest in FCC activities, and vigorously defending the rights of the County to be an effective advocate for its residents.

Score Card Results

The Committee holds quarterly worksessions to review customer service performance for Comcast Cable Communications, RCN, and Verizon Communications, the three cable franchisees operating within the County boundaries. These reviews ensure that performance measures established by the County's franchise agreements and FCC compliance targets are being met. In order to track and evaluate operator performance, the Cable Office has developed a "Cable Operator Customer Service Score Card" with several performance statistics, on which the operators report periodically. This is the third quarterly Score Card being reviewed by the Committee, and is on ©5-10.

The four statistics currently in use to reflect adherence to FCC standards are:

FCC Compliance statistic	Minimum standard	In compliance for third quarter
Telephone answered in 30 seconds	90%	All
Call transferred to agent in 30 seconds	90%	All but RCN
Service within 24 hours	95%	All
Installation within 7 days	95%	All

All companies have been in compliance for all three quarters in which statistics have been reported, with the exception of RCN in the category of transferring calls to a live agent for the last quarter. A warning was issued to RCN for their failure to comply.

In addition, the Cable Office reports on customer service **outcomes** regarding complaint calls which are received by the County. In the third quarter, 371 complaints were received. The Score Card does not provide a minimum standard for performance, nor an indication of which operator has met it. This makes it difficult to evaluate their performance on a comparative basis, so the Committee should ask both the Cable Office and the operators to discuss and agree on such a useful framework. However, certain trends are readily observed from the table of performance statistics provided by the Cable Office on ©6:

- In the last three quarters, there has been steady improvement in the performance statistics of Comcast and RCN.

- The statistics for Verizon have deteriorated in the last quarter. **What are the reasons?**
- The measures for timeliness appear problematic for both Comcast (61.4% said their concern was resolved in a reasonable period of time) and Verizon (40% said their concern was resolved in a reasonable period of time). Although the base is different (Comcast's statistic applies to 83 complaints, while Verizon's to 20), the outcome is nevertheless troubling for both, and **requires some explanation**. Also the Comcast complaints take twice as long to resolve as the other operators (20.9 days vs. 9.1 and 8.9 days for RCN and Verizon respectively). The Committee may want to inquire as to the staffing patterns of operator call centers, any recent changes to the number of operators dedicated to the Montgomery County franchise and actions under way to remediate this apparent deterioration in service level.

As the Score Card matures and becomes an accepted management tool for steering operator performance, the Committee should now turn its attention to the more complex one of needed tools with which to change non-compliance if it should occur, whether in the aggregate or for specific cases. This is covered in the next section on Customer Complaints.

Customer Complaint Processes

The Committee requested the documentation of follow-up procedures for each of the major categories of customer complaints. Councilmembers are aware that residents often call, email, or write individual members or the Council as a whole, laying out frustrations and disappointments they feel they must voice to their elected officials relating to cable service issues. Over the last few months, issues that have been identified and for which Council has been asked to help were organized into several discrete categories:

Category	Complaint examples within category
Billing problems	Credits, inaccurate or misleading items on bills (for example, being billed "truck charges")
Construction concerns	Unfinished/unsightly work sites of cable hook ups and cable expansion Construction-based delays
Technical service	Delays in restoring service (delays of 2 and 3 weeks have been documented) Scheduling home calls: no-shows, too broad a window
Internal operator management processes	Poor communication to both the County and residents regarding major changes to the service, including rates, shifting channel locations, and the timing of such communications Lack of visibly changing internal business processes to ensure that problems, once identified and responded to, do not crop up again

During the last quarterly cable review worksession, the Cable Office provided the table on ©11 that describes the process which Executive branch staff follow in each of the first three categories (Billing, Construction, and Technical Service). It is inferred from comments made on the Non-Compliance process column that the **Cable Office does not believe it has adequate powers to aggressively pursue any sorts of remedies for non-compliance**:

- For Billing: "in most cases, federal and local franchise regulations do not provide sufficient remedies to address non-compliance..."
- For Construction complaints: "...very few mechanisms are in place to penalize cable operators for failure to comply with applicable construction codes or perform property restoration..."
- For Technical service: "...Cable Office will continue to work with cable operator to resolve complaint..."

Council staff is preparing an **analysis and background information on what authority the County could have based on County, State and federal legislation**. This review will be available in the Spring 2010.

In the meantime, there are two alternate methods with which the County is able to treat non-compliance and customer concerns through existing mechanisms: the Cable Compliance Commission (CCC) and the Office of Consumer Protection (OCP).

The purpose of the CCC, as stated on ©13, is to "adjudicate subscriber complaints which have not been resolved by the County Cable Administrator concerning customer cable service or any other product or service that uses any facility or equipment constructed, installed, maintained, operated or occupying the public rights-of-way under the County's franchise agreement, such as one-way or interactive video, audio, data, (including data modem) and information services...". It can levy fines, subpoena documents and use legal powers to encourage or enforce compliance.

The CCC has not met for more than a year, and has not had a quorum; recent Council action approved the appointment of 5 new Commission members on ©12, and the Department of Technology Services which staffs the Commission expects a kick off training meeting of this body on December 18, 2009.

The current work load for the Commission is as follows

2007- 1 case pending
2008- 6 cases pending
2009- 4 cases pending

This mechanism can be a strong deterrent to non-compliance, and its re-constitution and pending schedule of meetings is a welcome sign of the Executive branch decision to use existing mechanisms to buttress and support the Cable Office, which is currently hampered from taking more aggressive enforcement actions when needed.

The Office of Consumer Protection (OCP) currently has, among its capabilities, the **legal power to enforce Internet Access Service standards**. This authority, which is described in Montgomery Code 11-4A, could be **expanded** to include additional responsibilities dealing with Cable issues of a broader

nature. In addition, OCP could also staff and support the CCC, currently a function performed by the Telecommunication Services division of the Department of Technology Services (DTS). Currently, OCP does not have the resources to undertake either function. The Director of OCP may be in a position to comment on his organization's ability and requirements to undertake additional responsibilities in this area of important consumer protection.

Cable Construction Inspections

At the request of the Committee, the Cable Office has begun once again to provide statistics on Cable inspections on ©8. In order to place these statistics in context, there is information on recent changes to the staffing pattern and work assignment of the inspectors for this function. In brief, 2 cable inspectors are assigned to inspect daily construction sites where operators are installing new service. The quarterly and year-to-date performance is presented on a table in ©8 and gives a troubling picture: while RCN violations are quickly repaired (22 of 23 reported infractions were completed in the third quarter), both Comcast and Verizon are at the 34% and 31% level of completion for the third quarter. There are, in addition, several thousand violations that are pending for prior quarters.

The cited lack of a "compliance culture" among subcontractors in ©9 is very troubling, and the Cable office is right in flagging this as a major concern. Strategies cited from other jurisdictions should be adopted in Montgomery County to help reverse this trend and ensure safe work places and responsive operator performance in the field. Rather than using scarce County resources to police compliance, **the operators should focus their attention on deploying and using a system of quality assurance** and eliminate the culture of non-compliance.

The Committee may want to ask the following questions regarding Cable inspections:

- Why are the Comcast and Verizon statistics so problematic, and what is being done to remedy the situation?
- Why were there no re-inspections performed in the third quarter? What is the impact of this lack of re-inspections on consumer satisfaction and safety?
- For the "systemic issues" identified by the Committee in past sessions (for example, lack of adequate control of subcontractors doing installation work in the neighborhoods), has there been a process developed to ensure that they are addressed?
- What is being done to do proactive inspections of the cable plant and ensure that adequate signal is provided and other performance parameters met as foreseen in the franchise agreement?
- Will the Executive branch be recommending Code changes to empower inspectors to issue stop orders? What are the pros and cons of such an approach?

DEPARTMENT OF TECHNOLOGY SERVICES

Isiah Leggett
County Executive

E. Steven Emanuel
Chief Information Officer

MEMORANDUM

November 3, 2009

TO: Management and Fiscal Policy Committee

FROM: Mitsuko R. Herrera
Cable Communications Administrator

RE: Cable Rate Regulation Update – (1) 2009 Executive Order 209-09 and Rate Agreement and (2) Impact of FCC Effective Competition Order terminating County's future rate regulation authority.

The purpose of this memo to notify you of: (1) Executive Order 209-09, establishing a maximum permitted rate for Comcast basic cable service and digital equipment offers by Comcast; and (2) termination of the County's authority to regulate basic cable service and equipment rates for the majority of County and municipal subscribers.

1. Executive Order 209-09

County Authority. Under applicable federal law and regulation, the County had authority to review Comcast's basic cable service rates (*i.e.*, the lowest-priced package of cable service that typically includes only local broadcast television and public, educational, and governmental channels) for 2009 using rate-setting methodology established by the Federal Communications Commission (FCC). After such review, the County Executive had authority to issue an Executive Order establishing a maximum permitted rate (MPR) for Basic Service.

Nature of Issue. During the review, Comcast and the County disagreed as to the treatment of digital basic channels. The County's position was that such channels require additional equipment, i.e., digital converter boxes or digital tuning adapters, to be viewed and therefore should not be included in the MPR for Basic Service. Alternatively, Comcast's position was that such channels were included in the Basic Service package and therefore the cost should be included in the MPR.

Additional Issues. (a) Separate from the rate regulation, but related to the issue of digital basic channels, the County received several subscribers complaints when Comcast made WMPT, Maryland Public Television, a digital basic channel. Basic Service subscribers with analog televisions need a digital converter boxes or digital tuning adapters to view MPT. (b) In addition, in December 2009, while Comcast will continue to provide analog Basic Service, it will begin to provide all other channels as encrypted digital channels. Comcast subscribers will need digital

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240 773-2288 FAX 240 777-3770

converter boxes or digital tuning adapters to view channels such as CNN, FOXNews and ESPN. RCN and Verizon already digitally encrypt their non-Basic Service channels and require digital converter boxes or digital tuning adapters to view those channels. The County anticipates that Comcast will cease to have any analog signals by 2012.

Summary of Executive Order. To address the MPR and digital equipment issues, the County Executive reached the following agreement with Comcast.

- All subscribers will receive a **$3.50 refund** and Comcast will be permitted to charge a maximum permitted rate of **$20.88 per month** for Basic Service.
- Basic Service subscribers will be offered one Basic-Only digital converter box at no charge for two years and may rent additional Basic-Only digital converter boxes for $1.10 per month.
- Current expanded basic analog service subscribers who will be converted to Standard Service digital subscribers by Comcast in November and December 2009 will be offered one Digital Addressable converter box and two digital tuning adapters at no charge for one year.
- Most Digital Service subscribers will be offered two digital tuning adapters at no charge for one year.
- Comcast will market and make available all offers noted above through September 30, 2010 and the County will monitor Comcast's marketing.
- The County has the option to reinstate a lower basic service rate or liquidated damages if Comcast fails to issue the refund, market the equipment offers, or make equipment available to subscribers.

Executive Order 209-09 is available at:
http://www.montgomerycountymd.gov/content/cableoffice/pdf/Executive_Order_209-09.pdf

2. Effective Competition

During the period in which the County was reviewing Comcast's rate filing, Comcast filed a Petition for Effective Competition with FCC. If granted, the County would cease to have authority to regulate basic service and equipment rates. On October 9, 2009, the FCC granted Comcast's petition. The FCC ruling does not affect the County's authority to regulate Comcast's rates for the period addressed the Executive Order and Comcast has agreed to meet the terms of the Rate Agreement regardless of changes in the County's rate regulatory authority in future years. The County will have authority to regulate rates in limited areas of the County that were not included in Comcast's Effective Competition petition. The areas include: Barnesville, Chevy Chase Village, Section 3 of the Village of Chevy Chase, Laytonsville, Poolesville and Washington Grove. The Effective Competition Order is available at: http://www.montgomerycountymd.gov/content/cableoffice/pdf/Comcast_Effective_Compet10-8-09.pdf

cc: Timothy L. Firestine, Chief Administrative Officer
E. Steven Emanuel, Director, Department of Technology Services
Marjorie Williams, Franchise Manager, Cable Office, DTS
Dr. Costis Toregas, Council Staff

From: Herrera, Mitsuko
Sent: Tue 12/1/2009 10:02 PM
To: 'dvollmer@verizon.net'
Cc: Elrich's Office, Councilmember; Navarro's Office, Councilmember; Floreen's Office, Councilmember; Ervin's Office, Councilmember; Berliner's Office, Councilmember; Trachtenberg's Office, Councilmember; Watkins, Keith
Subject: RE: Comcast Digital Box

Dear Ms. Vollmer,

Comcast has made a business decision to switch to encrypted digital service. Delivering cable channels in digital enables Comcast to offer more channels and to make more bandwidth available to provide faster cable modem service. The County has no authority to prevent Comcast from implementing this business decision. Moreover, the Federal Communications Commission (FCC) recently ruled that effective competition now exists in the County because of the presence of Verizon. As a result of this ruling, the County no longer has authority to regulate charges for equipment and installation.

Comcast, Verizon and RCN are now all digitally encrypting their signals. This requires consumers to use some kind of cable box on every television. Even new digital televisions require a cable box to decrypt the signals. The County has filed comments with the FCC noting that this practice significantly increases the costs for consumers. In addition, the County noted that Congress passed a law in 1996 which required FCC to create a commercial market for "navigation devices" which include cable boxes and televisions with built-in cable box technology. The FCC has done very little to enforce this statute. If the FCC would enforce this statute, consumers would be able to either buy the cable boxes or purchase televisions that would not require cable boxes.

In regard to your specific points: 1) The County doesn't believe that consumers should have to pay for boxes either. Although we are pressing the FCC to do something, we have no authority to prevent this practice. Many people have completed the self-installation and Keith Watkins in my office at 240-773-2288, is available to help walk you through the process. 2) By using the cable box, you will be able to view WMPT with any service package. Unfortunately, all cable providers are moving to deliver their channels in a digital format. 3) In case you are not aware, Comcast offers a "Digital Starter" package which, based on your previous e-mail you send to me on Wednesday, should be comparable to the service you are now receiving. That package includes a cable box as part of the package price. The line-up of channels is available at
http://www.comcast.com/Customers/Clu/ChannelLineUpPopup.ashx?prod=Digital Starter
and it does include MSNBC and WMPT. Lastly, particularly if you are switching packages, you can always ask your cable provider if they have any special offers or discounts they can provide.

I'm sorry we are unable to do more for you at this time.

Sincerely,

Mitsuko Herrera

Mitsuko R. Herrera | Cable Communications Administrator | Montgomery County MD
mitsuko.herrera@montgomerycountymd.gov

-----Original Message-----
From: Deborah Vollmer [mailto:dvollmer@verizon.net]
Sent: Tuesday, December 01, 2009 6:13 PM
To: Herrera, Mitsuko
Cc: Elrich's Office, Councilmember; Navarro's Office, Councilmember; Floreen's Office, Councilmember; Ervin's Office, Councilmember; Berliner's Office, Councilmember; Trachtenberg's Office, Councilmember
Subject: Comcast Digital Box

Dear Ms Herrera,

Now I am REALLY upset with Comcast. I just turned on Channel 61 to watch MSNBC, which is one of the relatively few channels that I watch on television. I could not get the channel, and there was a notice posted instead telling me about the digital switch.

My points are these: 1) I do not think I have to pay for a box, even if I get it free for a year, and then have to pay for it later, and 2) I do not think I should be saddled with having to install it myself, or pay extra to Comcast to have it done. I did not ask for these changes that they are foisting on us; my reception was fine; my only real complaint was losing Channel 22 (MPT), but now I have also lost Channel 61 (MSNBC). Why must I undergo the hassle of adding a box and pay for a digital upgrade (even if the box is free for a year) to have access to over a hundred stations, when I really only watch somewhere between ten and fifteen with any regularity?

Sincerely,
Deborah A. Vollmer

DEPARTMENT OF TECHNOLOGY SERVICES

Isiah Leggett
County Executive

E. Steven Emanuel
Chief Information Officer

MEMORANDUM

December 2, 2009

TO: **Management and Fiscal Policy Committee**

FROM: **Mitsuko R. Herrera**
Cable Communications Administrator

SUBJECT: **Quarterly Cable Report – 2009 Third Quarter**

The report below addresses the Cable Customer Service Scorecard and Cable Inspections. Information regarding the County Executive Rate Order and recent FCC actions has been provided under separate cover.

I. Customer Service Scorecard

A. Federal Telephone Answering Standards

Cable providers Comcast, RCN, and Verizon, continue to report that they are largely meeting the Federal Communications Commission customer service standards. In the Third Quarter 2009:

- All providers reported that they answered at least 90 percent of telephone calls within thirty seconds. This statistic includes calls answered by automated software.
- Comcast and Verizon reported that after callers selected an option in an automated telephone menu, at least 90 percent of these calls were transferred to a live agent within 30 seconds. RCN reported that 88.3% of such calls were transferred within 30 seconds. Pursuant to the RCN franchise, a warning has been issued to RCN for failure to meet the federal customer service standards.
- All providers reported that in at least 95 percent of instances, they responded to service outages within 24 hours.
- All providers reported that in at least 95 percent of instances, they offered an installation within seven days. Actual installations may have occurred in later than seven days to accommodate customer scheduling requests (such as for weekend appointments).

See attached scorecard for specific compliance data for each cable provider.

B. Resolution of Complaints Received by Cable Office

The Office of Cable and Communication Services ("Cable Office") received 371 complaints in the third quarter, of which, 225 or 60.6% were reported by the cable provider to have been resolved. The average number of days to resolve such complaints was 12.9 days.

COMPLAINTS RESOLVED	1Q-2009	2Q-2009	3Q-2009	4Q-2009	2009
COMCAST %	**60.7%**	**67.8%**	**57.9%**		**62.2%**
Received	283	292	292		867
Resolved	172	198	169		539
# of days to Resolve	23.9	19.4	20.9		21.4
RCN %	**71.1%**	**75.9%**	**81.3%**		**74.7%**
Received	38	29	16		83
Resolved	27	22	13		62
# of days to Resolve	17.5	11.1	9.1		12.6
VERIZON %	**95.6%**	**84.5%**	**68.3%**		**83.1%**
Received	68	58	63		189
Resolved	65	49	43		157
# of days to Resolve	11.3	5.9	8.9		8.7
TOTAL %	**67.9%**	**71.0%**	**60.6%**		**66.5%**
Received	389	379	371		1139
Resolved	264	269	225		758
# of days to Resolve	17.6	12.1	12.9		14.2

Complaints are tracked by the quarter in which the complaint is received. The resolved rate is affected by the date on which complaints are received and by any lag by the cable provider in notifying the Cable Office that the complaint has been resolved.

C. Customer Satisfaction Regarding Complaints Received by Cable Office

The Cable Office sends a customer satisfaction survey to every consumer whose complaint has been reported by the cable providers to have been resolved. About half of all such consumers return the survey. At the request of the MFP Committee, information regarding raw survey numbers has been added to the scorecard.

- **Comcast.** The large majority of survey respondents reported that they agreed the complaint was resolved (85.5%) and that they were satisfied with the outcome (84.3%). However, a smaller majority of respondents reported that they agree the complaint was resolved in a reasonable period of time (61.4%).
- **RCN.** A large majority of survey respondents reported that they agreed the complaint was resolved (83.3%), that they were satisfied with the outcome (83.3%), and that they agreed the complaint was resolved in a reasonable period of time (62.5%).

- **Verizon.** Half of respondents reported that they agreed that the complaint was resolved (50.0%). A small majority reported that they were satisfied with the outcome (60.0%). Less than half of respondents agreed that the complaint was resolved in a reasonable period of time (50.0%).
- **Cable Office.** In the Third Quarter, all but five respondents, 105 of 109 or 95.4%, reported that they were satisfied with the assistance provided by the Cable Office to resolve their complaint.

See attached scorecard for specific compliance data for each cable provider and the Cable Office.

II. Cable Inspections

In July 2009, the Cable Office fundamentally restructured the Cable Inspection Program. In prior fiscal years, the inspection program used up to four contract cable inspectors to physically inspect all of the private cable facilities within the County. It would typically take the team of inspectors about 18 months to fully inspect all cable facilities within the County. The number of inspections was not tracked using this inspection process. Notices of the violations would be sent to providers and the provider would pay for a second repair crew to correct the violations. Thus, this inspection process created additional costs to the cable providers, a lack of timely repairs for consumers, and a lack of accountability and responsibility for non-compliant construction contractors and subcontractors.

In FY10, the Cable Inspection Program was restructured to focus on current construction. Each day, the cable providers report where their construction and installation crews will be working. The Cable Office assigns two contract cable inspectors to inspect a random sample of these work sites to ensure compliance with applicable safety and construction codes.

- In some instances, the cable inspectors have worked with the County's permitting services department shut down work crews when significant violations are found, including lack of Montgomery County right-of-way permits, Miss Utility locate tickets, utility markings, and other unsafe construction practices. In such instances, the constructions crews are not lawfully able to continue working that same day, so the consequence for non-compliance is immediate and direct.
    - Under the County Code, Permitting Service inspectors have the ability to order cable and utility crews to stop work when significant violations are found, but cable inspectors do not have similar authority.
- In addition, when residents call the County to report a cable construction problem, the County is typically able to provide a cable inspector to assess the problem on the same business day. Many residents have stated their appreciation for the County's quick response and ability to address cable construction issue with providers on behalf of residents.

In 2009, the cable inspection data is as follows:

	COMCAST INSPECTIONS AND VIOLATIONS							
	1st Qtr 2009		2nd Qtr 2009		**3rd Qtr 2009**		TOTAL	
	#	%	#	%	**#**	**%**	#	%
Total Work Sites	NR		NR		**NA**		NA	
Total Sites Inspected	NR		NR		**2,799**	**NA**	NR	NA
Total Violations	2,360	NA	1,953	NA	**946**	**34%**	5,259	NA
Total Repaired	873	37%	846	43%	**99**	**10%**	1,819	35%
Re-Inspections	372	43%	276	33%	**0**	**0%**	649	36%
% Found Corrected	NA	95%	NA	98%	**NR**	**NA**	NA	NA

	RCN INSPECTIONS AND VIOLATIONS							
	1st Qtr 2009		2nd Qtr 2009		**3rd Qtr 2009**		TOTAL	
	#	%	#	%	**#**	**%**	#	%
Total Work Sites	NR		NR		**NA**		NA	
Total Sites Inspected	NR		NR		**23**	**NA**	NR	NA
Total Violations	66	NA	149	NA	**22**	**96%**	238	NA
Total Repaired	0	0%	0	0%	**0**	**0%**	0	0%
Re-Inspections	0	0%	0	0%	**0**	**0%**	0	0%
% Found Corrected	NA	NA	NA	NA	**NA**	**NA**	NA	NA

	VERIZON INSPECTIONS AND VIOLATIONS							
	1st Qtr 2009		2nd Qtr 2009		**3rd Qtr 2009**		TOTAL	
	#	%	#	%	**#**	**%**	#	%
Total Work Sites	NR		NR		**NA**		NA	
Total Sites Inspected	NR		NR		**3,294**	**NA**	NR	NA
Total Violations	275	NA	314	NA	**1,020**	**31%**	1,609	NA
Total Repaired	189	69%	10	3%	**141**	**14%**	341	21%
Re-Inspections	67	35%	6	60%	**0**	**0%**	74	22%
% Found Corrected	NA	99%	NA	100%	**NA**	**NA**	NA	NA

NR = Data Not Reported; NA = Data Not Available

The data above shows that in the Third Quarter, the Cable Office found that about one-third of all active worksites in the County are not in compliance with applicable safety and construction codes.

- In the Third Quarter, Comcast had 399 Cable Drop violations (such as unburied temporary cable lines), 315 Equipment violations (such as cracked pedestals), 109 Construction violations (such as underground cable lines buried too shallow), 16 Restoration violations (such as failure to reasonably restore private property), and 98 other types of violations.
- In the Third Quarter, RCN had 17 Construction violations, 4 Cable Drop violations, and 1 Equipment violation. RCN has very few active worksites. Inspectors tend to notice RCN violations in the course of performing their other duties. Thus, RCN has a much higher

violation rate because violations are not reported as a percentage of sites are being inspected, but rather only when violations are noticed.

- In the Third Quarter, Verizon had 746 Restoration violations (such as failure to restore lawns using grass seed), 77 Cable Drop violations, 63 Construction violations, 36 Equipment violations and 98 other types of violations.

The Cable Office is reviewing ways to better ensure that cable violations are repaired in a timely manner. The cable providers requested that violations be sent over once per month. However, this process has resulted in significant delays receiving notice of the violations and longer delays in repairing the violations. The Cable Office will be working with the cable providers and their contractors to develop a weekly or daily violation notification process so that repairs can be completed much sooner. Due to fiscal constraints, the Cable Office has fewer resources to devote towards re-inspection. In addition, building a new inspection program has generated the additional challenge of managing the significant increase in the data entry and workload without adding additional staff. Improving the ability to rapidly process inspection data should also improve notice of non-compliance and compliance performance.

Finally, one further challenge has been to create new compliance culture among subcontractors. Many work crews comply with applicable safety and construction codes – for example proper traffic cones, signage, and flaggers – when instructed to do so by cable inspectors, but stop complying once the inspector leaves. Inspectors are then required to double-back and shut crews down with the assistance of Permitting Services. In other jurisdictions, ensuring that a reasonable percentage of all worksite are inspected, requiring repairs to be completed within a reasonable period of time, and re-inspecting 100 percent of all violations have been use to lower the non-compliance rate and to ensure timely correction of violations.

2009 - Third Quarter
Montgomery County, MD*

Montgomery County Cable Operator Customer Service Score Card

FCC Compliance Statistics

	Telephone Answering								Service				Installation			
	Answered in 30 Seconds				Transferred to Agent in 30 Secs				Service within 24 Hours				Installed within 7 Days			
	Minimum FCC Standard 90%								Minumum FCC Standard 95%				Minumum FCC Standard 95%			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
COMCAST	99.0%	96.5%	99.0%		93.0%	94.7%	96.0%		98.0%	98.8%	98.6%		97.4%	97.4%	95.9%	
RCN	99.3%	100.0%	99.0%		90.7%	91.9%	88.3%		100.0%	95.0%	98.0%		100.0%	100.0%	100.0%	
VERIZON	100.0%	100.0%	100.0%		96.5%	96.9%	97.9%		100.0%	100.0%	100.0%		92.7%	99.4%	99.5%	

Customer Service Outcomes

	Cummulative Survey Response Rate	Of Customer Complaints Reported by the Provider to Have Been Resolved															
		Percentege That Agree Complaint Was Resolved				Percentage That Agree Complaint was Resolved in a Reasonable Period of Time				Precentage Satisfied with Outcome of Complaint				Percentage Satisfied with Cable Office Assistance to Resolve Complaint			
	2009	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
COMCAST	49%	74.6%	76.7%	85.5%		56.3%	54.4%	61.4%		74.6%	80.6%	84.3%		94.4%	98.1%	94.0%	
	257/524	53/71	79/103	71/83		40/71	56/103	51/83		53/71	83/103	70/83		67/71	101/103	78/83	
RCN	52%	69.2%	69.2%	83.3%		38.5%	53.8%	83.3%		61.5%	76.9%	83.3%		100.0%	92.3%	100.0%	
	32/62	9/13	9/13	5/6		5/13	7/13	5/6		8/13	10/13	5/6		13/13	12/13	6/6	
VERIZON	54%	68.8%	65.4%	50.0%		59.4%	65.4%	40.0%		71.9%	80.8%	60.0%		96.9%	96.2%	100.0%	
	47/87	22/32	17/26	10/20		19/32	17/26	8/20		23/32	21/26	12/20		31/32	25/26	20/20	
TOTAL	50%	72.4%	73.9%	78.9%		55.2%	56.3%	60.4%		72.4%	80.3%	79.8%		95.7%	97.2%	95.4%	
	336/673	84/116	105/142	86/109		64/116	80/142	64/109		84/116	114/142	87/109		111/116	138/142	104/109	

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*Does Not Include City of Gaithersburg

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B. Cable Complaint Handling Process

The following procedures are used to handle cable complaints.

Type of Complaint	Complaint Handling Process	Non-Compliance Process
BILLING	Receive all information and documents related to the complaint issue. Notify the cable operator and provide supporting documentation. The cable operator contacts the complainant to resolve the complaint. In the event the cable operator does not resolve the complaint, the Cable Office gathers information from the cable provider and reviews both sides of the issue.	In most cases, federal and local franchise regulations do not provide sufficient remedies to address non-compliance. The Cable Compliance Commission (CCC) adds an additional step to assist in resolution, and a hearing may be requested by the complainant. However, due to lack of members, the CCC does not have a quorum to meet.
CONSTRUCTION	Once the information is received, the Cable Office notifies the cable operator. Cable inspectors will visit the property and photograph the construction site. The Cable Office will contact the cable provider to ensure proper restoration. The right-of-way set back and public utility easements are explained to the home owner.	Very few mechanisms are in place to penalize cable operators for failure to comply with applicable construction codes or perform property restoration. Permitting Services has authority to issue stop work orders for significant violations.
TECHNICAL SERVICE	Cable Office contacts the cable operator who dispatches senior level technicians to address technical issues related to subscriber service. Many technicians are dispatched the same day, but certainly within 24 hours. If the service cannot be corrected on the initial visit, the cable operator will trace the problem outside the residence.	Cable Office will continue to work with cable operator to resolve complaint. Significant cable outages may result in refunds.

Resolution No.: 16-1161
Introduced: October 20, 2009
Adopted: October 20, 2009

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

SUBJECT: County Executive's Appointments to the Cable Compliance Commission

The County Council for Montgomery County, Maryland approves the following resolution:

The County Executive's appointments to the Cable Compliance Commission are confirmed.

Type of Position: Public
Clare De Cleene
Derwood 4/30/2012
(Replaces Diona Danielle Coe's expired term--First Term)

Type of Position: Public
Arthur Jackson
North Potomac 4/30/2011
(Replaces Cyril Jardine's expired term--Partial Term)

Type of Position: Public
Howard Lane
Bethesda 4/30/2012
(Replaces David Freishtat's expired term—First Term)

Type of Position: Public
Martin Ma
Gaithersburg 4/30/2012
(Replaces Barbara Keating's expired term--First Term)

Type of Position: Public
Gregory Maydan
N. Bethesda 4/30/2011
(Replaces Richard Fine's expired term--Partial Term

This is a correct copy of Council action.

Linda M. Lauer

Linda M. Lauer, Clerk of the Council

CABLE COMPLIANCE COMMISSION

Created: Bill No. 28-02, Effective 3/6/2003

Purpose: Adjudicates subscriber complaints which have not been resolved by the County Cable Administrator concerning customer cable service or any other product or service that uses any facility or equipment constructed, installed, maintained, operated, or occupying the pubic rights-of-way under the County's franchise agreement, such as one-way or interactive video, audio, data (including data modem), and information services.

Membership: 5 voting members appointed by the County Executive and confirmed by the County Council. The Commission should include:
(1) a cable television service subscriber;
(2) a broadband Internet service subscriber;
(3) an individual with general business experience;
(4) an individual with technical experience in communications.

Financial Disclosure: Each member must file a limited public financial disclosure statement regarding any communication-related activities and interests and a full confidential financial disclosure statement.

Terms: 3 years (The County Executive must designate the initial term of 2 members as two years; any later term of these 2 members, and the terms of All other members must be 3 years.)

Meetings: Third Wednesday of each month at 4:00 p.m. in Rockville.

Staff: Max Stuckey, Telecommunications Services, Department of Technology Services, 100 Maryland Avenue, Rockville, Maryland 20850. Phone: 240-777-2933