

RESOLUTION AND ACCOUNTING ORDER

WHEREAS, the Township of Bear Creek is certified by the Federal Communications Commission ('FCC') to regulate the rates of ('TCI Cablevision'); and

WHEREAS, the Township has adopted an ordinance prescribing procedures for rate regulation consistent with the 1992 Cable Act and FCC Rules ('Ordinance'); and

WHEREAS, the Township possess the powers conferred by the Cable Act and FCC Rules, and described in its Ordinance and may adopt additional rules consistent with the Cable Act and FCC Rules and take any action not prohibited by the Cable Act and FCC Rules to protect the public interest in connection with rate regulation; and

WHEREAS, on August 15, 1994 TCI Cablevision submitted its proposed schedule of rates for the basic cable service tier and associated equipment on FCC Form 1200 and Form 1205, and the Township ordered the tolling of the effective date of such rates as set forth in a previous resolution; and

WHEREAS, the rates in the Form 1200 and Form 1205 generally become effective 120 days from their submission unless the Township has taken action on them, and it is now apparent that the Township may not take such action within such time period; and

WHEREAS, the Township desires to reserve it right to disapprove any portion of such rates and to order refunds or take other appropriate actions concerning TCI Cablevision's rates in Form 1200 and Form 1205; and

WHEREAS, to protect the interest of its residents, the Township wishes to direct TCI Cablevision to keep an accurate account of all sums received by reason of its rates in Form 1 200 and Form 1205 and on whose behalf such accounts were paid, such that if and to the extent the Township later issues a written decision disapproving any portion of such rates that appropriate refunds may be ordered for subscribers in the Township as well as prospective reductions; and

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the Cable Act, the FCC Rules, and the Ordinance, the Township hereby directs and orders TCI Cablevision to keep an accurate account of all amounts received by reason of the rates proposed in its Form 1200 and Form 1205 and on whose behalf such amounts were paid such that if and to the extent the Township later issues a written decision disapproving any portion of such rates that appropriate refunds may be ordered for subscribers in the Township as well as prospective reductions; and

BE IT FINALLY RESOLVED, that the Clerk or other appropriate Township employee or officials are hereby directed to mail a copy of this Resolution by first class mail to TCI Cablevision and to Varnum, Riddering, Schmidt & Howlett, cable counsel for the Township.

Judy Mays – Clerk

Date

ORDINANCE NO. 93-9

AN ORDINANCE TO ADOPT REGULATIONS AND PROCEDURES
FOR BASIC CABLE TV RATE REGULATION

THE TOWNSHIP OF BEAR CREEK ORDAINS:

Section 1. Definitions. For purposes of this Ordinance, "Act" shall mean the Communications Act of 1934, as amended (and specifically as amended by the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. 102-385), and as may be amended from time to time; "FCC" shall mean the Federal Communications Commission; "FCC Rules" shall mean all rules of the FCC promulgated from time to time pursuant to the Act; "basic cable service" shall mean "basic service" as defined in the FCC Rules, and any other cable television service which is subject to rate regulation by the Township pursuant to the Act and the FCC Rules; "associated equipment" shall mean all equipment and services subject to regulation pursuant to 47 CFR § 76.923; and an "increase" in rates shall mean an increase in rates or a decrease in programming or customer services. All other words and phrases used in this Ordinance shall have the same meaning as defined in the Act and FCC Rules.

Section 2. Purpose; Interpretation. The purpose of this Ordinance is to: 1) adopt regulations consistent with the Act and the FCC Rules with respect to basic cable service rate regulation, and 2) prescribe procedures to provide a reasonable opportunity for consideration of the views of interested parties in connection with basic cable service rate regulation by the Township. This Ordinance shall be implemented and interpreted consistent with the Act and FCC Rules.

Section 3. Rate Regulations Promulgated by FCC. In connection with the regulation of rates for basic cable service and associated equipment, the Township of Bear Creek shall follow all FCC Rules.

Section 4. Filing: Additional Information: Burden of Proof.

(a) A cable operator shall submit its schedule of rates for the basic service tier and associated equipment or a proposed increase in such rates in accordance with the Act and the FCC Rules. The cable operator shall include as part of its submission such information as is necessary to show that its schedule of rates or its proposed increase in rates complies with the Act and the FCC Rules. The cable operator shall file ten (10) copies of the schedule or proposed increase with the Township Clerk. For purposes of this Ordinance, the filing of the cable operator shall be deemed to have been made when at least ten (10) copies have been received by the Township Clerk. The Township Board may, by resolution or otherwise, adopt rules and regulations prescribing the information, data and calculations which must be included as part of the cable operator's filing of the schedule of rates or a proposed increase.

(b) In addition to information and data required by rules and regulations of the Township pursuant to Section 4(a) above, a cable operator shall provide all information requested by the Township Supervisor in connection with the Township's review and regulation of existing rates for the basic service tier and associated equipment or a proposed increase in these rates. The Township Supervisor may establish deadlines for submission of the requested information and the cable operator shall comply with such deadlines.

(c) A cable operator has the burden of proving that its schedule of rates for the basic service tier and associated equipment or a proposed increase in such rates complies with the Act and the FCC Rules including, without limitation, 47 USC § 543 and 47 CFR § § 76.922 and 76.923.

Section 5. Proprietary Information:

(a) If this Ordinance, any rules or regulations adopted by the Township pursuant to Section 4(a), or any request for information pursuant to Section 4(b) requires the production of proprietary information, the cable operator shall produce the information. However, at the time the allegedly proprietary information is submitted, a cable operator may request that specific, identified portions of its response be treated as confidential and withheld from public disclosure. The request must state the reason why the information should be treated as proprietary and the facts that support those reasons. The request for confidentiality will be granted if the Township determines that the preponderance of the evidence shows that non-disclosure is consistent with the provisions of the Freedom of Information Act, 5 D.S.C. § 552. The Township shall place in a public file for inspection any decision that results in information being withheld. If the cable operator requests confidentiality and the request is denied, (1) where the cable operator is proposing a rate increase, it may withdraw the proposal, in which case the allegedly proprietary information will be returned to it; or (2) the cable operator may seek review within five working days of the denial in any appropriate forum. Release of the information will be stayed pending review.

(b) Any interested party may file a request to inspect material withheld as proprietary with the Township. The Township shall weigh the policy considerations favoring non-disclosure against the reasons cited for permitting inspection in light of the facts of the particular case. It will then promptly notify the requesting entity and the cable operator that submitted the information as to the disposition of the request. It may grant, deny or condition a request. The requesting party or the cable operator may seek review of the

decision by filing an appeal with any appropriate forum. Disclosure will be stayed pending resolution of any appeal.

(c) The procedures set forth in this section shall be construed as analogous to and consistent with the rules of the FCC regarding requests for confidentiality including, without limitation, 47 CFR § 0.459.

Section 6. Public Notice; Initial Review of Rates. Upon the filing of ten (10) copies of the schedule of rates or the proposed increase in rates pursuant to Section 4(a) above, the Township Clerk shall publish a public notice in a newspaper of general circulation in the Township which shall state that: 1) the filing has been received by the Township Clerk and (except those parts which may be withheld as proprietary) is available for public inspection and copying, and 2) interested parties are encouraged to submit written comments on the filing to the Township Clerk not later than seven (7) days after the public notice is published. The Township Clerk shall give notice to the cable operator of the date, time, and place of the meeting at which the Township Board shall first consider the schedule of rates or the proposed increase. This notice shall be mailed by first-class mail at least three (3) days before the meeting. In addition, if a written staff or consultant's report on the schedule of rates or the proposed increase is prepared for consideration of the Township Board, then the Township Clerk shall mail a copy of the report by first-class mail to the cable operator at least three (3) days before the meeting at which the Township Board shall first consider the schedule of rates or the proposed increase.

Section 7. Tolling Order. After a cable operator has filed its existing schedule of rates or a proposed increase in these rates, the existing schedule of rates will remain in effect or the proposed increase in rates will become effective after thirty (30) days from the date of filing under Section 4(a) above unless the Township Board (or other properly

authorized body or official) tolls the thirty (30) day deadline pursuant to 47 CFR § 76.933 by issuing a brief written order, by resolution or otherwise, within thirty (30) days of the date of filing. The Township Board may toll the thirty (30) day deadline for an additional 90 days in cases not involving cost-of-service showings and for an additional 150 days in cases involving cost-of-service showings.

Section 8. Public Notice; Hearing on Basic Cable Service Rates Following Tolling of 30-Day Deadline. If a written order has been issued pursuant to Section 7 and 47 CFR § 76.933 to toll the effective date of existing rates for the basic service tier and associated equipment or a proposed increase in these rates, the cable operator shall submit to the Township any additional information required or requested pursuant to Section 4 of this Ordinance. In addition, the Township Board shall hold a public hearing to consider the comments of interested parties within the additional 90 day or 150 day period, as the case may be. The Township Clerk shall publish a public notice of the public hearing in a newspaper of general circulation within the Township which shall state: 1) the date, time, and place at which the hearing shall be held, 2) interested parties may appear in person, by agent, or by letter at such hearing to submit comments on or objections to the existing rates or the proposed increase in rates, and 3) copies of the schedule of rates or the proposed increase in rates and related information (except those parts which may be withheld as proprietary) are available for inspection or copying from the office of the Clerk. The public notice shall be published not less than fifteen (15) days before the hearing. In addition, the Township Clerk shall mail by first-class mail a copy of the public notice to the cable operator not less than fifteen (15) days before the hearing.

Section 9. Staff or Consultant Report; Written Response. Following the public hearing, the Township Supervisor shall cause a report to be prepared for the Township

Board which shall (based on the filing of the cable operator, the comments or objections of interested parties, information requested from the cable operator and its response, staff or consultant's review, and other appropriate information) include a recommendation for the decision of the Township Board pursuant to Section 10. The Township Clerk shall mail a copy of the report to the cable operator by first-class mail not less than twenty (20) days before the Township Board acts under Section 10. The cable operator may file a written response to the report with the Township Clerk. If at least ten (10) copies of the response are filed by the cable operator with the Township Clerk within ten (10) days after the report is mailed to the cable operator, the Township Clerk shall forward it to the Township Board.

Section 10. Rate Decisions and Orders. The Township Board shall issue a written order, by resolution or otherwise, which in whole or in part, approves the existing rates for basic cable service and associated equipment or a proposed increase in such rates, denies the existing rates or proposed increase, orders a rate reduction, prescribes a reasonable rate, allows the existing rates or proposed increase to become effective subject to refund, or orders other appropriate relief, in accordance with the FCC Rules. If the Township Board issues an order allowing the existing rates or proposed increase to become effective subject to refund, it shall also direct the cable operator to maintain an accounting pursuant to 47 CFR § 76.933. The order specified in this Section shall be issued within 90 days of the tolling order under Section 7 in all cases not involving a cost-of-service showing. The order shall be issued within 150 days after the tolling order under Section 7 in all cases involving a cost-of-service showing.

Section 11. Refunds; Notice. The Township Board may order a refund to subscribers as provided in 47 CFR § 76.942. Before the Township Board orders any refund

to subscribers, the Township Clerk shall give at least seven (7) days written notice to the cable operator by first-class mail of the date, time, and place at which the Township Board shall consider issuing a refund order and shall provide an opportunity for the cable operator to comment. The cable operator may appear in person, by agent, or by letter at such time for the purpose of submitting comments to the Township Board.

Section 12. Written Decisions; Public Notice. Any order of the Township Board pursuant to Section 10 or Section 11 shall be in writing, shall be effective upon adoption by the Township Board, and shall be deemed released to the public upon adoption. The Clerk shall publish a public notice of any such written order in a newspaper of general circulation within the Township which shall: 1) summarize the written decision, and 2) state that copies of the text of the written decision are available for inspection or copying from the office of the Clerk. In addition, the Township Clerk shall mail a copy of the text of the written decision to the cable operator by first-class mail.

Section 13. Rules and Regulations. In addition to rules promulgated pursuant to Section 4, the Township Board may, by resolution or otherwise, adopt rules and regulations for basic cable service rate regulation proceedings (including, without limitation, the conduct of hearings), consistent with the Act and the FCC Rules.

Section 14. Failure to Give Notice. The failure of the Township Clerk to give the notices or to mail copies of reports as required by this Ordinance shall not invalidate the decisions or proceedings of the Township Board.

Section 15. Additional Hearings. In addition to the requirements of this Ordinance, the Township Board may hold additional public hearings upon such reasonable notice as the Township Board, in its sole discretion, shall prescribe.

Section 16. Additional Powers. The Township shall possess all powers conferred by the Act, the FCC Rules, the cable operator's franchise, and all other applicable law. The powers exercised pursuant to the Act, the FCC Rules, and this Ordinance shall be in addition to powers conferred by law or otherwise. The Township may take any action not prohibited by the Act and the FCC Rules to protect the public interest in connection with basic cable service rate regulation.

Section 17. Failure to Comply; Remedies. The Township may pursue any and all legal and equitable remedies against the cable operator (including, without limitation, all remedies provided under a cable operator's franchise with the Township) for failure to comply with the Act, the FCC Rules, any orders or determinations of the Township pursuant to this Ordinance, any requirements of this Ordinance, or any rules or regulations promulgated hereunder. Subject to applicable law, failure to comply with the Act, the FCC Rules, any orders or determinations of the Township pursuant to this Ordinance, any requirements of this Ordinance, or any rules and regulations promulgated hereunder, shall also be sufficient grounds for revocation or denial of renewal of a cable operator's franchise.

Section 18. Severability. The various parts, sections, and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

Section 19. Conflicting Provisions. In the event of any conflict between this Ordinance and the provisions of any prior ordinance or any franchise, permit, consent agreement or other agreement with a cable operator, then the provisions of this Ordinance shall control.

Section 20. Effective Date. This Ordinance shall take effect one day after its publication in a newspaper of general circulation in the Township of Bear Creek.