

City of Albuquerque • Cable Franchise Agreement Work Group

Summary of Themes from Stakeholder Focus Groups

The City of Albuquerque is preparing to negotiate a new franchise agreement with Comcast, to take effect on October 1, 2017. A Work Group of staff from various City departments has been assembled to gather data on Comcast performance under the present agreement, and to project service needs of the City and its residents over the next several years. As part of its due diligence, the Work Group convened five focus groups in late October and early November. The intent of these focus groups was to hear the views and recommendations of representatives of institutional stakeholders and the public, using an informal, conversational format. Members of the public were welcomed at all meetings, irrespective of the particular topic. The schedule of focus groups was:

- October 27, 2015 Government Stakeholders
- October 28, 2015 Business Stakeholders
- October 29, 2015 Education Stakeholders
- November 4, 2015 Media Stakeholders
- November 5, 2015 General Public

Themes from the discussions are presented below. All numbers are for reference only.

Overall Themes from All Focus Groups

1. Access—both to physical locations and to local programming—is a greater concern than customer service issues

- a. Public, Educational & Governmental (PEG)/community advocates: More access to original local programming is needed.
- b. Media: Access to more must-carry channels is needed.
- c. Education: More points of physical access across the community are needed.
- d. For all groups, access—to a wide range of programming, and to many ways of viewing this range of programming—is essential to building community and bringing the community together.

2. It is crucial to build additional infrastructure capacity, because exponential growth in bandwidth is anticipated.

- a. Intentional redundancy, such as installation of dark fiber and provision of additional must-carry and PEG channels, is prudent—not inefficient—given the anticipated expansion of required bandwidth.

3. Strong, frequent and more public oversight of the Franchise Agreement is needed, for the following reasons:

- a. To adapt to the accelerating rate of change in technology;
- b. For improved community and stakeholder relationships; and

- c. To anticipate and allow for new partnership arrangements with stakeholders.

Themes from Individual Focus Groups:

PEG/Community Advocate Concerns:

1. Original, local programming is an essential component of public access TV and for building a strong sense of community.
2. Transparency in City of Albuquerque decision making with regard to the Franchise Agreement is necessary to build and maintain trust between the City and the community.
3. Broad-based public engagement and/or consultation is needed to improve the Franchise Agreement preparation process.
4. Strong monitoring (of Comcast by the City) is an essential component for the [future] Franchise Agreement.

Education Stakeholder Concerns:

1. Expanding the number of physical points of access fulfills the City's responsibility to provide for all residents and is an essential part of building a strong community.
2. An adequate amount of dark fiber is a prudent hedge against huge anticipated demand for increase in bandwidth over the next few years.
3. Internet access must be central to the Agreement. The internet has to be part of the conversation—television and phone connections have become side issues.
4. Changes in funding streams and the market allow the City, APS and others to envision putting together a local alternative to Comcast through partnerships.
5. Schools and students (and their families) need high speed connectivity to keep up with school work, content, and communications that are increasingly delivered over the internet.
6. Distance education is the fastest growing segment of higher education—more bandwidth is necessary for e-books and for fast delivery of information.

Media Stakeholder Concerns:

1. Additional must-carry channels provide the whole community access to a wider range of perspectives through local and/or low-cost programming.
2. Media stakeholders agree with PEG advocates regarding the importance of access to local programming content; this is seen as a First Amendment concern.
3. Strong monitoring/oversight of the [future] Agreement is essential.
4. Comcast's relationship with network stations is good, but not with small stations and Comcast's customers.

5. Some stations are not carried because of capacity issues: Will Comcast have the capacity as stations are added?
6. Comcast Cable's subscription base is shrinking and so will franchise revenue which is based on Cable TV revenue only.

Other Specific Recommendations, Thoughts and Concerns:

1. Consider a time period shorter than 15 years for the Agreement. Technology and market changes are happening too fast to support a longer agreement.
 - How do we begin to envision what cable TV and other means of electronic entertainment and communication will be in the next 15 years? Just look at the changes since 2002....
2. Review Comcast performance under the present Agreement.
3. Review PEG contractor performance to see if it is out of compliance.
4. Conduct a second round of focus groups some time in 2016 as the Agreement is being negotiated.
5. Conduct a statistically sound survey (by a firm such as Research and Polling) regarding Comcast's customer service.
6. Include a community member on the negotiating team.
7. Can the City exercise more authority over Comcast through our ownership of the rights-of-way where the cable is laid? Could PNM be a partner in this?
8. Is there a way the City can "own the last mile" as the amount of fiber connections increase? Can this be built into new developments?