



## **Service Electric Cable Franchise Agreement Informational Document**

**Background:** Exeter Township Supervisors are considering the renewal of its Cable Franchise Agreement with Service Electric. The 10-year agreement expired in 2018 and has been in front of the public for comment and consideration on several occasions. During the process, many questions and misconceptions related to the process have arisen. This document will seek to answer those questions and provide clarifying details on some common misunderstandings related to such agreements.

The adoption of the Service Electric Cable Franchise Agreement will appear on the **October 12, 2020 Board of Supervisors Meeting Agenda**. If you have additional questions that are not addressed in this document, please direct them to Township Manager Jeff Bartlett at [jbartlett@exetertownship.com](mailto:jbartlett@exetertownship.com) prior to the meeting date in order for your questions to be answered timely. Questions will be answered in the form of a supplemental addition to this document.

**Details on Cable Franchise Agreements:** Cable companies utilize public rights-of-way to operate their cable systems, entitling host municipalities to a fair return in exchange for access to the right-of-way. Federal law allows municipalities to assess a maximum franchise fee of 5% on the cable company's gross revenues. In addition to monetary benefits, these customary agreements allow municipalities to establish customer service expectations, reporting requirements, and other standards.

### **What Cable Franchise Agreements DO NOT do:**

- The agreement **does not** dictate what cable provider a resident should have;
- The agreement **does not** require that a provider expand service to areas already served by other cable companies;
- The agreement **does not** prohibit other cable providers from entering Exeter;
- The agreement **does not** apply to nor does it govern internet service, speeds, or anything other than cable television service.

Visit our website, [www.exetertownship.com](http://www.exetertownship.com) to view the full agreement or [click here](#) to download.

## FREQUENTLY ASKED QUESTIONS

### ***What cable companies currently service Exeter Township?***

Service Electric and Comcast both provide cable service to the Township, though neither covers 100% of the Township. So, in some areas only one option is currently available.

### ***What does Exeter get out of this cable franchise agreement?***

The agreement includes a franchise fee payable to the Township of 5% of the cable company's gross revenues. This is the maximum allowable amount as permitted by federal law. The agreement also provides for the establishment of customer service expectations, reporting requirements, and other standards.

### ***Can I switch cable providers to my residence?***

Any public cable provider is permitted to utilize the right of way in the Township. It is permitted for multiple companies to be using the same right of way area. If the provider chooses to install cabling in your neighborhood, you may choose to switch. The cost for a cable company to install a new cable line into a neighborhood is very expensive. It would be up to a cable provider to determine if it would be cost effective to expand their service lines into a new territory.

### ***Can the Township require a cable company to expand into my neighborhood?***

There are provisions in the agreement that state the cable provider shall install new cable connects into an area that meets minimum number of house units per mile. That number is determined by the type of cable in the area, aerial or underground. Normally, a cable company will not expand into an area already serviced by another provider. There is no provision that prohibits it, however financially it is usually not feasible for two or more companies to service the same area.

### ***Does the Township have any say to determine the cost charged to residents for their cable service?***

No, the cost of cable service and other services provided by the cable providers is up to the provider. The agreement prohibits the provider from discriminating against any residential subscriber receiving similar services.

### ***The speed of my cable service does not appear to be up to the standard reported to me by the provider. Can the Township do anything about this?***

The Township does not regulate the speed, delivery, or type of services provided. The Agreement states the provider shall furnish a system capable of no fewer than 150 video channels and shall provide sufficient bandwidth to supply reliable two-way cable services. The system shall provide for video and audio reception in both standard and high definition channels.

***The cable company came out and dug up the edge of my front yard to make a repair and didn't repair the lawn. Are they permitted to do that?***

The cable providers are permitted to conduct work in the right of way. Before any work is done, they should be placing a PA One Call to ensure they are not digging up any other utilities. They are required to repair any damage done within 10-days of completion, weather permitting. If work is done in a non-growing season, the provider must return as soon as possible to ensure the area is returned to normal and replanted as necessary. If this work is not completed in a timely manner, the Township does have the ability to fine the provider.

***My cable service was out for an entire day. Can anything be done about that?***

If the cable provider is performing construction or routine repairs or testing of the system, they shall attempt to do this work during periods of minimal use. If there are going to be service interruptions anticipated of more than 24-hours, the provider shall notify the subscribers and provide prorated credit for the time of the service interruption. Interruptions to cable service should be reported to the provider directly with your exact location. The Township does not make these reports to the cable providers.

***My internet service is very slow. Will this agreement address internet speeds?***

No, a Cable Franchise Agreement applies to cable services. This agreement does not apply to internet, its speeds, or anything else related.

***Will this agreement prohibit other cable companies from expanding service to Exeter Township?***

No, this agreement is NOT exclusive to Service Electric. There is nothing in this agreement that affects the Township's ability to grant a franchise agreement to any other cable company.

***With the lack of competition for cable companies currently in Exeter, what will motivate Service Electric to keep up with technological advances?***

Service Electric, like all cable companies in the United States, are required to meet or exceed any and all technical performance standards as established by the FCC, the National Electrical Safety Code, the National Electric Code, and any other applicable federal laws and regulations.