

Randall D. Davis

STATE OF MAINE PUBLIC UTILITIES COMMISSION

Harry Lanphear ADMINISTRATIVE DIRECTOR

October 16, 2020

Hon. Barry Hobbins, Public Advocate Office of the Public Advocate 112 State House Station Augusta, Maine 04333

Re: Cable Stakeholder Meeting Comments

Public Advocate Hobbins,

The Public Utilities Commission (PUC) has taken part in the first three meetings of the stakeholder group to explore and consider issues related to establishing a single statewide cable franchise, as requested by the Legislature's Joint Standing Committee on Energy, Utilities, and Technology in its letter to you dated February 27, 2020.

We write today to communicate our impression of the proposals discussed in those three previous stakeholder group meetings, to the extent it may be of help to the key stakeholders.

So far as we have been able to discern from written and verbal comments, the articulated stakeholder positions might be grouped into one of three general categories:

- Replacing the current cable franchise system with one that is regulated by the state, through the Office of the Secretary of State (*Telecommunications Association of Maine*);
- Reinforcing the current cable franchise system with a state-level appeals process within the PUC, while possibly also allowing municipalities to cede their franchise authority in part or in whole to the PUC (*Community Television Association of Maine*); and
- Something in between the status quo and the proposals described above (*most other stakeholders*).

As participants are aware, the Commission does not regulate the provision of cable television or internet services, and the proposals outlined to date may be described as being of a more general than specific nature. The conversations thus far have also not focused on the manner of state regulation, but rather have devoted most attention to the parameters of what types of regulation are legally permissible, and in the public interest.

For these reasons, the Commission maintains a neutral posture and will not be estimating with any specificity a fiscal impact resulting from these proposals. However, the Commission would not be able to take on oversight of cable franchise activities without specific legislative authority that includes the provision of additional staff resources. The extent of resources necessary would be commensurate with the level of regulation required.

For the purpose of comparison, we note that the State of Hawaii has roughly the same population as the State of Maine while also including a mix of urban centers scattered throughout a generally rural area. Hawaii's Cable Television Division of the Hawaii Department of Commerce and Consumer Affairs includes the following staff positions: one Administrator, two Staff Attorneys, one Program Specialist/Analyst, and one Secretary (plus two Program Specialists devoted to broadband issues).

The conversations have thus far made clear there is not only a broad range of policy preferences across the spectrum of stakeholders, but also a fairly complex set of legal considerations at play as a result of cable, telecommunications, and internet services being treated differently by statutes and regulations at the federal and state levels. The Commission looks forward to continuing to work with all stakeholders to the extent we are in a position to provide specialized utility-related insight.

Sincerely,

Garrett Corbin Legislative Liaison

Nanette Ardry, Senior Counsel, Office of the Public Advocate
Hon. Mark W. Lawrence, Senate Chair, Energy, Utilities and Technology Committee
Hon. Seth A. Berry, House Chair, Energy, Utilities and Technology Committee
Lucia Nixon, Legislative Analyst, Maine Office of Policy and Legal Analysis