

ATTACHMENT B

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
COMCAST OF NEW CASTLE COUNTY, LLC,)
D/B/A/ COMCAST CABLE, FOR THE)
COMMENCEMENT OF PROCEEDINGS)
PURSUANT TO 47 U.S.C. § 546 REGARDING) PSC DOCKET NO. 17-0507
THE RENEWAL OF THE CABLE TELEVISION)
FRANCHISE TO SERVE CERTAIN)
UNINCORPORATED AREAS OF NORTHERN)
NEW CASTLE COUNTY DELAWARE)
(FILED MAY 30, 2017))

CABLE TELEVISION FRANCHISE AGREEMENT

I. INTRODUCTION

Comcast of New Castle County, LLC, d/b/a/ Comcast Cable¹ (“Comcast North NCC”) presently holds a Commission-approved franchise (“Current Franchise”) to provide cable television service within a franchise area in the unincorporated areas of northern New Castle County, Delaware. The Current Franchise, originally granted in 2005, will expire on March 31, 2020. See PSC Order No. 6775 (Nov. 22, 2005). Under the terms of the Current Franchise, it may be renewed for a term of up to fifteen (15) years.

II. DEFINITIONS – AS USED HEREIN ²

1. **"AFFILIATE"** when used in relation to any Person, means another Person who owns or controls, is owned or controlled by, or is under common ownership or control with such

¹ Comcast Cable Vision of New Castle County, LLC, d/b/a/ Comcast Cable, is now Comcast of Delmarva, LLC.

² When not inconsistent with the context, words used in the present tense include the future, words used to refer to the male include the female, and words in the plural number include the singular number. The word “shall” is mandatory and “may” is permissive. Words not defined shall be given their common and ordinary meaning.

Person, but does not include Affiliates such as NBC Universal that are not involved with the use, management, operation, construction, repair and/or maintenance of Franchisee's Cable Systems.

2. **"ANNUAL BASIC SERVICE REGULATED REVENUE"** means, and only includes, revenue related to Franchisee's provision of Cable Service over the Cable System in accordance with generally accepted accounting principles (GAAP) as set forth under 26 *Del. C.* § 610(a)(4), and shall include, basic monthly service charges for cable service provided in the Franchise Area, but shall not include moneys received as installation charges, charges for reconnection, inspection, repairs, or modifications of any installation, or local, state or federal taxes relating thereto, or money received from: (a) sale of advertising time on cable channels; (b) rental or deposits on equipment or facilities; (c) the furnishing of special, premium, or pay-per-view programming not covered by the basic monthly service charge; (d) the furnishing of other duly authorized communications services either by private contract or as a carrier, including by way of example, but not limited to, leasing of channels; burglar alarm; AM or FM radio broadcasts; data transmission; information storage and retrieval; facsimile reproduction services; or shopping service channels; and (e) any source other than directly from the carriage of television signals.

3. **"BASIC CABLE SERVICE"** means any service tier that includes retransmissions of local television broadcast signals.

4. **"CABLE ACT"** means The Communications Act of 1934, as amended.

5. **"CABLE CHANNEL" or "CHANNEL"** means a portion of the electromagnetic frequency spectrum which is used in a cable system and which is capable of delivering a television channel (as television channel is defined by FCC regulation).

6. **"CABLE OPERATOR"** means any Person or group of Persons who provides Cable Service over a Cable System and directly or through one or more affiliates owns a significant interest in such Cable System, or who otherwise controls or is responsible for, through any arrangement, the management and operation of such a cable system.

7. **"CABLE SERVICE" or "SERVICE"** means the one-way transmission to Subscribers of video programming or other programming service, and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other Programming service.

8. **"CABLE SYSTEM" or "SYSTEM"** means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service, including Video Programming, and which is provided to multiple Subscribers within a community, but such term does not include: (a) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (b) a facility that serves Subscribers without using any public right-of-way; (c) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Cable Act, except that such facility shall be considered a Cable System to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (d) an open video system that

complies with Section 653 of the Cable Act; or (e) any facilities of any electric utility used solely for operating its electric utility systems.

9. **"COMMISSION" or "PSC"** means the Delaware Public Service Commission.

10. **"FCC"** means the Federal Communications Commission, a federal regulatory agency, as constituted by the Cable Act, as amended, or any successor agency created by the United States Congress.

11. **"FORCE MAJEURE"** means an event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes a situation where the Franchisee is prevented or delayed in the performance of any of its obligations under this franchise by reasons of Acts of God, floods, fires, hurricanes, tornadoes, earthquakes, or other unavoidable casualty, acts of public enemy, insurrection, terrorism or threats of terrorism, war, riot, sabotage, vandalism, strikes, boycotts, lock-outs, labor disputes, shortage of labor, epidemic, freight embargoes, shortages or unavailability of materials or supplies, unusually severe weather conditions, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which Franchisee is not primarily responsible, work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's network is attached, and unavailability of materials and/or qualified labor to perform the work necessary or other similar event beyond the reasonable control of the Franchisee.

12. **"FRANCHISE"** means authorization lawfully adopted or agreed to by the PSC pursuant to 26 *Del. C.* Chapter 1, Subchapter VI, or renewal thereof (including a renewal which has been granted subject to § 626 [47 U.S.C. § 546] of the Cable Act) to construct or operate a Cable System or Systems, in whole or in part, within a county of the State of Delaware.

13. **"FRANCHISE AGREEMENT" or "AGREEMENT"** means this Agreement and any amendments or modifications hereto.

14. **"FRANCHISE AREA"** means certain unincorporated areas of New Castle County, Delaware, located above the Chesapeake and Delaware Canal.

15. **"FRANCHISEE"** means the entity to which the Franchise Agreement is granted or renewed. As used herein, the term refers to and means Comcast of New Castle County, LLC, d/b/a/ Comcast Cable, a limited liability company organized and existing under the laws of the State of Delaware.

16. **"NORMAL BUSINESS HOURS"** means those hours during which most similar businesses in the community are open to serve customers. In all cases, "Normal Business Hours" must include some evening hours at least one night per week and/or some weekend hours.

17. **"NORMAL OPERATING CONDITIONS"** means those service conditions that are within the control of the Franchisee. Those conditions that are not within the control of the Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions that are within the control of the Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System. See 47 C.F.R. § 76.309(c)(4)(ii).

18. **"PERSON"** means any individual, firm, partnership, association, joint stock company, limited liability company, trust, government entity, corporation, company, or organization of any kind or other legal entity.

19. **"PUBLIC, EDUCATIONAL, OR GOVERNMENTAL ACCESS CHANNEL" or "PEG ACCESS CHANNEL"** means a video channel which Franchisee may make available without charge for non-commercial public, educational, or governmental use for the transmission of Video Programming as specified in this Agreement in accordance with § 611 [47 U.S.C. § 531] of the Cable Act.

20. **"SERVICE TIER"** means a category of Cable Service provided by a Cable Operator and for which a separate rate is charged by the Cable Operator.

21. **"SUBSCRIBER"** means a Person who lawfully receives Cable Service over the Cable System with Franchisee's express permission.

22. **"VIDEO PROGRAMMING" or "PROGRAMMING"** means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

III. TERMS AND CONDITIONS

(a) Effective as of the date hereof, Franchisee is hereby granted a renewed non-exclusive Franchise to operate a Cable System to serve the Franchise Area described as certain unincorporated areas of New Castle County, Delaware, located north of the Chesapeake and Delaware Canal, said grant being expressly subject to the following terms and conditions which the Franchisee agrees to accept and honor.

(b) Franchisee acknowledges and agrees that the Commission reserves the right to grant one or more additional Franchises or other authorizations to provide cable service within the Franchise Area; provided, however, Franchisee and the Commission acknowledge that no such franchise agreement shall contain terms or conditions more favorable or less burdensome

to the competitive entity than the material terms and conditions herein. If any such additional or competitive Franchise is granted by the Commission which, in the reasonable opinion of the Franchisee, contains more favorable or less burdensome terms or conditions than this Agreement, the Commission agrees that it shall not unreasonably withhold its consent to amend this Agreement to include any more favorable or less burdensome terms or conditions.

1. **Terms of the Franchise**

(a) The term of this renewed franchise shall be for a period of fifteen (15) years from the expiration date of the existing Franchise. The Franchisee shall have the option within the last thirty-six (36) months of this renewed franchise to request renewal of this Franchise Agreement for an additional period not to exceed fifteen (15) years.

(b) Should the Franchisee seek further renewal of this franchise, the PSC shall conduct a full, open, and public renewal proceeding, upon prior notice, and shall provide an opportunity for all interested persons to be heard. The decision to renew, or to decline to renew, will be in accordance with the renewal provisions in § 626 [47 U.S.C. § 546] of the Cable Act. Should this Franchise Agreement be renewed by the PSC, all of the terms and provisions contained herein shall be controlling during the renewal period, except to the extent that such terms and provisions are modified by the PSC, or unless this Franchise Agreement is superseded by a new Franchise. Should the Franchisee not seek renewal of the Franchise Agreement, it shall remove all of its facilities from all public rights-of-way and facilities provided that such removal is reasonably deemed necessary for the public safety. Such removal shall be performed by the Franchisee at such time and in the manner prescribed by order of the PSC. Notwithstanding the above, Franchisee shall not be required to remove its Cable System, or to relocate the Cable System, or to sell the Cable System, or any portion thereof as a result of a decision not to seek

renewal, revocation, denial of renewal, or any other lawful action to forbid or disallow Franchisee from providing Cable Services, if the Cable System is actively being used to facilitate any other services not governed by the Cable Act.

(c) Consistent with Title 26 *Del. C.* § 612, the PSC hereby awards and grants to Franchisee for the term and upon the covenants and conditions contained herein, permission to use and occupy the public highways, streets, roads, public ways, and compatible easements within the boundaries of the Franchise Area, for the purpose of installing, operating, and maintaining a Cable System. A map of Franchisee's current service area is included as Exhibit "A."

2. **Property Damage and Public Liability Insurance**

(a) The Franchisee shall carry, and at all times maintain, Commercial General Liability Insurance with a responsible insurance company qualified and duly licensed to do business in the State of Delaware. The minimum amount of such insurance for bodily injury, death, and property damage shall be Five Hundred Thousand Dollars (\$500,000) for each person and One Million Dollars (\$1,000,000) for each occurrence. The failure to carry and maintain such insurance in the requisite amounts may result in the initiation of revocation proceedings, provided that the PSC provides the Franchisee with written notice of such proceedings and gives the Franchisee a reasonable time, in no event to exceed forty-five (45) days, to cure such alleged default.

(b) Copies of Certificates of Insurance evidencing such insurance policies shall be filed with the PSC within ninety (90) days after the effective date hereof.

3. **System Construction and Technical Standards**

(a) Construction, installation, and all maintenance of the Cable System shall be performed in an orderly and workmanlike manner. The Cable System shall be constructed, installed, operated, and maintained in a manner consistent with the National Electric Code and the National Electric Safety Code as such codes shall, from time to time, be amended, generally applicable laws, and FCC technical standards which, as the same may from time to time be amended, are, by this reference, hereby fully incorporated into this Franchise Agreement.

(b) In accordance with FCC technical standards, the Franchisee shall render Cable Service, make repairs, and interrupt Cable Service only for good cause and for the shortest time reasonably possible. Under Normal Operating Conditions, such interruptions shall, to the extent reasonably possible, be preceded by notice and shall occur during periods of minimum System use. No notice shall be required for interruptions of Cable Service for planned maintenance or construction occurring between 12:00 midnight and 6:00 a.m.

(c) The Franchisee shall not allow its Cable System or other cable-related operations to interfere with the lawful reception of telecommunications by persons not served by the Cable System, nor shall the Cable System interfere with, obstruct, or hinder in any manner, the operation of other communication systems.

(d) In portions of the Franchise Area where all of the cables, wires, and other facilities of public utilities are placed underground after the date hereof, the Franchisee may be required to place all of its wires, cables, and facilities underground to the extent reasonably possible; provided, however, that such underground locations are capable of accommodating Franchisee's facilities without technical degradation of the Cable System's signal quality. Franchisee shall not be required to construct, operate, or maintain underground any ground-

mounted appurtenances such as Subscriber taps, line extenders, system passive devices, amplifiers, power supplies, or pedestals. If public funds are available for the purpose of defraying the cost of undergrounding of facilities, the Franchisee shall be notified of such funding and such funding shall be made available to Franchisee. In the event that funds are not available, Franchisee reserves the right to pass its costs through to its Subscribers in accordance with applicable law. Where aerial facilities are available for pole attachment, they may be used by the Franchisee.

(e) The Franchisee shall maintain on file maps or plots showing all existing streets or subdivisions served by the Cable System. Access to such maps or plots shall be afforded to the PSC by the Franchisee upon written request.

4. Customer Service and Information

(a) The Franchisee shall promptly resolve Service and billing complaints and shall establish clear written procedures for resolving all Subscriber complaints. Franchisee shall provide the Subscribers with a written response to a written complaint within thirty (30) days of its receipt. Such response shall include the results of its inquiry into the subject matter of the complaint, its conclusions based on the inquiry, and its decision in response to the complaint. The Franchisee shall maintain records pertaining to complaints for a period of twelve (12) months from the date of the complaint and shall record thereon the action taken on the complaint.

(b) Not less than once a year, the Franchisee shall provide to each Subscriber, and each new Subscriber shall receive at the time of installation, a written description of the Cable Services offered, including prices and options for such video programming services. Such

explanation shall include installation and service policies, instruction on how to use the Cable Service, billing and complaint procedures, and a discussion of the privacy rights of Subscribers as required by applicable law.

(c) The Franchisee shall report in writing to the PSC, upon written request, as to the nature of any and all written complaints which are not resolved within thirty (30) business days from the receipt of the complaint.

(d) The Franchisee shall comply with the applicable technical standards of the FCC.

(e) Franchisee shall not unreasonably discriminate between or among any individuals in the availability of Cable Service. Franchisee shall not deny access to Cable Service to any group of potential residential cable Subscribers because of the income of the residents of the local area in which such group resides. The Franchisee agrees to fully comply with all applicable state, federal, and generally applicable local laws and regulations, or any other basis protected by law relating to non-discrimination in employment which, by this reference, are incorporated herein [see 47 U.S.C. § 554].

Nothing in this Section shall be construed to prohibit:

i. The temporary reduction or waiving of rates and charges in conjunction with promotional campaigns;

ii. The offering of reasonable discounts to senior citizens or discounts to economically disadvantaged citizens;

iii. The establishment of different and nondiscriminatory rates and charges and classes of services for commercial Subscribers, as well as different, nondiscriminatory monthly rates for classes of commercial Subscribers;

iv. The establishment of reduced bulk rates for residential Subscribers residing in multiple dwelling units (“MDUs”); or

v. The right to deny service for good cause, including but not limited to non-payment or theft of service, vandalism of equipment, or documented or founded harassment or abuse of Franchisee's employees or agents. It shall be the right of all persons to receive all available Services provided on the Cable System so long as such person's financial or other obligations to Franchisee are satisfied.

(f) Subscribers shall continue to receive uninterrupted Cable Service from Franchisee provided their financial and other obligations to Franchisee are honored. Subject to Force Majeure, System maintenance, and/or program availability, Franchisee shall use its best efforts to ensure that all Subscribers receive continuous, uninterrupted Service twenty-four hours a day.

(g) The Franchisee shall maintain a local or toll-free telephone number available to Subscribers twenty-four (24) hours a day, seven (7) days a week. Trained representatives shall respond to Subscriber telephone inquiries during Normal Business Hours. After Normal Business Hours, the telephone access line may be answered by a service or an automated response system. Inquiries received after Normal Business Hours must be responded to by a trained company representative on the next business day.

(h) The Franchisee shall not disconnect Cable Service for non-payment until at least twenty (20) days after the due date of the bill for which Cable Service disconnection is contemplated. The twenty (20) day period shall include ten (10) days written notice to the delinquent Subscriber of the intent to disconnect, which may be provided as part of the bill statement. Franchisee may disconnect Cable Service at any time and without notice, if Franchisee determines in good faith that any Subscriber has tampered with or abused Franchisee's equipment or service, is engaged in theft of Cable Service, or has exhibited violent

or threatening behavior toward its employees.

5. Subscriber Privacy

(a) The Franchisee shall at all times be, and remain in compliance with, § 631 of the Cable Act [47 U.S.C. § 551], as the same may from time to time be amended, regarding the security of Subscriber privacy.

6. Reports by Franchisee to the PSC

(a) During the term of the Franchise Agreement, the Franchisee shall maintain its financial records in accordance with generally accepted accounting principles (“GAAP”). Upon written request of the PSC Executive Director, Franchisee shall submit the following reports:

i. Complaint Report. Within thirty (30) days of a written request, Franchisee shall submit to the Commission a report showing the number of complaints, that required a work order and/or service call, originating from the Franchise Area and received during the previous 12-month reporting period, the dates they were received, summary descriptions of the complaints, the dates the complaints were resolved and summary descriptions of the resolutions.

ii. Annual Financial Report. Within thirty (30) days of a written request, Franchisee shall submit to the PSC its current financial statement, including a statement of income, balance sheet and a statement of sources and applications of funds which shall be verified by Franchisee’s Chief Financial Officer in accordance with GAAP. Submission by Franchisee of the most recent U.S. Securities and Exchange Commission Annual Report Form 10-K prepared by Franchisee shall be deemed as satisfactory compliance with this Section.

iii. Government Reports. Franchisee shall provide to the PSC, upon written request, copies of any and all communications, reports, documents, pleadings and notifications of any kind which Franchisee has submitted to any federal or state regulatory agencies if such documents relate specifically to Franchisee's Cable System within the Franchise Area. Franchisee shall provide copies of such documents no later than thirty (30) days after their written request. Franchisee may claim its confidentially rights for such documents if such documents have been determined to be confidential, privileged or proprietary in accordance with the terms and conditions regarding confidentiality as set forth in this Franchise Agreement (see below).

(b) Notwithstanding anything to the contrary set forth herein, all information specifically marked by Franchisee as proprietary or confidential in nature and furnished to the PSC or its designated representatives shall be treated as confidential by the PSC so long as it is permitted to do so under applicable law and only to disclose it to PSC employees, agents, or representatives who have a need to know or in order to enforce the provisions of this Franchise Agreement, or the information shall not be disclosed upon agreement of the Commission.

i. Representatives and/or designees of the PSC may be requested to execute a non-disclosure agreement acceptable to Franchisee prior to Franchisee's provision of certain confidential information, provided such representatives are permitted to do so under applicable law.

ii. In the event a request is made by an individual or entity not an employee, agent or representative of the PSC acting in their official capacity for information related to the Franchise Agreement and marked by Franchisee as confidential and/or

proprietary, the PSC shall notify Franchisee of such request and Franchisee shall have the right to challenge any disclosure of information to the fullest extent possible under applicable law.

iii. Franchisee shall not be required to provide Subscriber information in violation of § 631 of the Cable Act, or information which is not relevant to regulation of the Franchise Agreement (e.g., employee files, tax returns, etc.).

7. Performance Bond

The Franchisee shall file with the PSC a performance bond or other surety device acceptable to the PSC in the amount of Fifty Thousand Dollars (\$50,000), which shall be maintained for the duration of the term of this Franchise Agreement as security for the performance and discharge of all obligations of the Franchisee under this Franchise Agreement. Said bond with surety approved by the PSC, or letter of credit, or other irrevocable surety device running to the State of Delaware shall be conditioned upon faithful performance of all terms of this Franchise Agreement and the law, and shall specify that in the event the Franchisee fails to faithfully perform, or is in default under any of its obligations, then in such event and provided that Franchisee has been given notice of such default and an opportunity to cure of not less than thirty (30) days, the obligor shall make good or otherwise meet the obligations of this Franchise Agreement and the law up to the limit of the undertaking. The failure of the Franchisee to establish and maintain the full amount of either the performance bond, or other acceptable surety device, for the term of this Franchise Agreement shall constitute a material breach hereof.

8. Remedy for Breach; PSC Fees

(a) A material breach of this Franchise Agreement shall be grounds for the