



Comcast Cable  
9605 SW Nimbus Avenue  
Beaverton, OR 97008

City of Portland  
c/o Office for Community Technology  
City of Portland  
1120 SW 5<sup>th</sup> Ave, Room 1305  
Portland, OR 97204

Re: I-Net Letter Agreement

Dear City of Portland:

The purpose of this letter agreement is to set forth commitments between Comcast of Oregon II, Inc., who is qualified to do business in Oregon, (hereinafter, "Comcast") and the City of Portland (hereinafter called "the City") that are in addition to the Franchise Agreement to be adopted by Ordinance (hereinafter, "the Franchise"). These items have been negotiated in good faith and agreed to as part of the informal franchise renewal process pursuant to 47 U.S.C. 546(h), and specifically relate to unique community needs that exist in the City. This letter agreement shall become effective upon approval of the Franchise by the City Council. Unless otherwise indicated, terms, phrases and their derivations in this letter agreement shall have the same meanings as in the Franchise.

A. Funding of Currently Planned I-Net Upgrade.

(1) The parties acknowledge that Grantee and the Commission have planned and authorized funding for an upgrade of the I-Net in place as of the effective date of the Franchise. The parties agree that funding of such I-Net upgrade shall be provided by Grantee from funds remaining at the conclusion of the prior cable franchise term (December 31, 2011) and which were otherwise retained by Comcast in an I-Net Fund ("I-Net End Fund"). The manner, timing and completion of the I-Net upgrade under the renewed Franchise shall be subject to ongoing oversight and approval by the Commission.

(2) Following completion of the I-Net upgrade, Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund for the approved I-Net upgrade. If the Commission has not required changes to the report or disallowed expenditures in accordance with the Franchise within 90 days of the Commission's actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee's I-Net End Fund.

B. Funding of Currently Planned I-Net Connections.

(1) The parties acknowledge that the Commission has requested, and will continue to request, cost estimates for certain new I-Net connections that will not be complete on the effective date of the renewed Franchise. The parties agree that the funding for these new I-Net connections shall be provided by Grantee from the I-Net End Fund, so long as the Commission's request for a cost estimate is received by Grantee no later than December 31, 2011.

(2) Following completion of the connection by Grantee in accordance with the Franchise Section 6.4(D)(1), Grantee shall provide to the Commission a report detailing the actual expenditures from the I-Net End Fund in accordance with Franchise Section 6.4(D)(1). If the Commission has not required changes to the report or disallowed expenditures within 90 days of the Commission's actual receipt of the report, then the expenditures shall be deemed accepted and authorized by the Commission for deduction from Grantee's I-Net End Fund.

C. Additional I-Net End Fund Expenditures.

(1) In partial consideration of the parties agreeing upon the I-Net charges, Grantee shall be entitled to reduce the I-Net End Fund a total amount not to exceed four hundred thousand dollars (\$400,000) over a period not to exceed thirty six (36) months from the effective date of the Franchise.

(2) Effective August 31, 2013, capital funds remaining in Grantee's I-Net End Fund may be used to offset construction costs of line extensions that exceed Grantee's capital contribution provided under Section 8.4, for the purpose of distributing services, including PEG Programming, within the Franchise Area. Grantee shall not have access to the I-Net End Fund for such purposes under this Section prior to September 1, 2013. All determinations regarding the use of the I-Net End Fund for line extensions shall be at Grantee's sole discretion. Grantee shall report on the use of the I-Net End Fund for line extensions within ninety (90) days of completion of the line extension. In addition, Grantee shall consider requests by the City's authorized representatives for funding to specific line extensions consistent with the parameters of this Section C from the I-Net End Fund.

All expenditures from the I-Net End Fund under the prior franchise remain subject to ongoing oversight and approval by the Commission. Upon request by the City, Grantee shall provide an I-Net End Fund report, including beginning and current balances and authorized deductions.

The terms and conditions of this letter agreement are binding upon the City and Comcast and their successors and assigns under the Franchise. A violation of these terms of this agreement by Comcast may be considered by the City as if it were a violation of the Franchise, and subject to the remedies and enforcement provisions under Section 19 of the renewed Franchise. The parties agree that fulfillment of the obligations set forth in this letter is also necessary and part of the consideration to secure the renewed Franchise.

Acknowledged and agreed to this 18 day of Nov., 2011.

**Comcast of Oregon II, Inc.**

By: [Signature]  
Its: [Signature]  
Date: 11/2/11

**City of Portland**

By: [Signature]  
Its: [Signature]  
Date: 11/18/11



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Re: PEG Access Letter Agreement

Dear City of Portland:

The purpose of this letter agreement is to set forth commitments between Comcast of Oregon II, Inc., who is qualified to do business in Oregon, (hereinafter, "Comcast") and the City of Portland (hereinafter called "the City") that are in addition to the Franchise Agreement to be adopted by Ordinance (hereinafter, "the Franchise"). These items have been negotiated in good faith and agreed to as part of the informal franchise renewal process pursuant to 47 U.S.C. 546(h), and specifically relate to unique community needs that exist in the City. This letter agreement shall become effective upon approval of the Franchise by the City Council. Unless otherwise indicated, terms, phrases and their derivations in this letter agreement shall have the same meanings as in the Franchise.

A. Access Program Listings in Subscriber Guides.

- (1) For purposes of this letter, "Electronic Program Guide" or "EPG" means the program guide, navigation system and search functions accessible on Comcast's digital Cable Services through the Subscriber set-top unit and remote control, or their successor technology.
- (2) Comcast shall include the Access Channels and Programming information in all EPG menus and analog program guides and online program guides available to Subscribers. Access Channels and Programming shall be listed in a substantially similar manner and placement as the Broadcast Channels, including individual program descriptions, in a non-discriminatory manner.
- (3) Comcast shall include Access Channel listings in any printed programming guide provided to Subscribers, which includes channel listings of the Broadcast channels.
- (4) The Designated Access Providers shall be responsible for providing the Access Channel and Programming information through an RSS feed or equivalent format and within the appropriate timeframe for insertion into program guides.
- (5) Comcast shall bear all Capital, implementation and operating costs to include the Access Channels and Programming information into all program guides available to Subscribers.

(6) The parties agree to continue discussions toward a goal of permitting Designated Access Providers to engage with and pay third party guide providers directly.

**B. Video on Demand.**

(1) Comcast shall include Access Programming on its video-on-demand ("VOD") platform. Comcast shall provide the Designated Access Providers with the VOD capacity on Comcast's server to include a minimum of thirty (31) hours of Access Programming on Comcast's VOD at any given time. The City shall coordinate use of such VOD capacity among the Designated Access Providers.

(2) Comcast agrees to work in good faith with the Designated Access Providers to establish a process agreeable to the Designated Access Providers for placing Access Programming on Comcast's VOD, utilizing a system that enables online content uploading to an FTP site or equivalent technology. Such process will also include, but not be limited to, addressing programming technical formatting, submitting program description to the EPG, and identifying potentially offensive programming for disclaimers. Designated Access Providers are responsible for selecting the Access Programming and providing it to Comcast in an MPEG2 or other appropriate format compatible with Comcast's equipment and system.

(3) Any Access Programming placed on VOD shall be accessible by Subscribers free of charge, provided that they subscribe to the appropriate level of cable service in which access to Comcast's VOD platform is included.

(4) The Parties recognize that VOD platforms for distribution of programming may change over time. Future development may allow for the Designated Access Providers and Comcast to agree on a mutually acceptable alternative to include Access Programming on Comcast's VOD platform and, as a result, increasing the amount of Access Programming available to Subscribers. To that end, Comcast agrees to engage in good faith efforts to discuss alternative to including Access Programming on any Comcast VOD platform.

**C. PEG Channel Placement.**

(1) For purposes of Sections 5.3(C) and (D) of the Franchise, Access Channels under each of these Franchise Sections shall be considered within "reasonable proximity" of one another if all the Access Channels are contained within a span of activated channels no greater than twenty (20) in Comcast's channel lineup for Basic Service.

(2) Access Channel assignments shall be deemed within reasonable proximity of any Broadcast Channel if no Access Channel assignment is more than thirty (30) activated channels from any Broadcast Channel, subject however to retransmission agreements with broadcasters or must carry obligations. Subject to this Section C, this section does not otherwise limit Grantee's placement of PEG Channels.

The terms and conditions of this letter agreement are binding upon the City and Comcast and their successors and assigns under the Franchise. A violation of these terms of this agreement by Comcast may be considered by the City as if it were a violation of the Franchise, and subject to the remedies and enforcement provisions under Section 19 of the renewed Franchise. The parties agree that fulfillment of the obligations set forth in this letter is also necessary and part of the consideration to secure the renewed Franchise.

Acknowledged and agreed to this 18 day of Nov, 2011.

**Comcast of Oregon II, Inc.**

By: [Signature]  
Its: [Signature]  
Date: 11/2/2011

**City of Portland**

By: [Signature]  
Its: \_\_\_\_\_  
Date: 11/18/11