OAKLAND CITY COUNCIL

Resolution No.

RESOLUTION IN OPPOSITION TO AT&T'S PROPOSED CABLE TELEVISION RATE **INCREASE**

WHEREAS, AT&T Broadband has announced a rate increase for Oakland cable subscribers, effective April 1,2001; and

WHEREAS, the proposed adjustment reflects an increase in subscriber rates of \$1.57 for expanded basic service and \$1.00 per channel for premium service (HBO, Showtime, etc.) and other cable program packages; and

WHEREAS, pursuant to the cable transfer agreement entered into with AT&T on February 16, 1999, AT&T agreed to address the rate disparity by suspending rate increases until June of 2000 or upon completion of the rebuild, whichever occurred first; and

WHEREAS, on May 23,2000, the Oakland City Council adopted Resolution No. 75741 C.M.S. in opposition to AT&T's June 10, 2000 Proposed Cable Television Rate Increase of 4.05% to Oakland cable subscribers for basic service, expanded service and equipment installation services; and

WHEREAS, the rate freeze resulted in some benefit to Oakland subscribers, yet no advanced services are being offered and Oakland subscribers continue to pay a disproportionately higher rate for the services provided; and,

WHEREAS, AT&T has the discretion to defer rate increases as indicated by their decision not to increase rates in other jurisdictions where there is competition for cable services.

WHEREAS, the City Council strongly urges AT&T to take into account the impact of disproportionate rates on Oakland residents in determining area rate structures; and

WHEREAS, Oakland is currently in negotiations with AT&T concerning the renewal of the cable franchise, and considers that any rate increase should be suspended until such time as the franchise renewal negotiations are concluded; now therefore, be it

RESOLVED: that the City Council on behalf of Oakland cable subscribers, formally oppose the proposed increase currently scheduled for April 1,2001; and

FURTHER RESOLVED: that the City Council requests that AT&T defer any rate increase until such rime as additional services are provided to Oakland residents and rates do not exceed rates charged in neighboring jurisdictions and or a new cable franchise agreement is signed.

IN COUNCIL, OAKLAND, CALIFORNI FEB 13 2001

PASSED BY THE FOLLOWING:

AYES - Brunner, Chang, De La Fuente, Nadel, Reid, Wan and Spees -- 6

ABSTENTION: None ATTEST: (
Excused - Spees - 1

City Clerk and Clerk of the Council of the City of Oakland, California