

MEMORANDUM

To: Member Cities of the Southwest Suburban Cable Commission

From: Brian T. Grogan, Esq.

Date: June 29, 2015

Re: CenturyLink's Application for a Cable Communications Franchise

BACKGROUND

Qwest Broadband Services, Inc., d/b/a CenturyLink ("CenturyLink ") has requested that the Member Cities of the Southwest Suburban Cable Commission ("Commission") consider the grant of a cable communications franchise so CenturyLink can provide cable television services in the Member Cities. Pursuant to this request, the Member Cities have prepared the necessary documents to comply with the franchising procedure required under Minnesota law. The Member Cities have published a Notice of Intent to Franchise and prepared the Request for Proposals – Official Application Form. Each Member City received a response from one applicant - CenturyLink. The Member Cities then held the statutorily required public hearing regarding CenturyLink's qualifications.

On behalf of the Commission, Moss & Barnett is reviewing CenturyLink's application submitted to each Member City. By letter dated, May 4, 2015, Moss & Barnett requested additional financial information from CenturyLink. On May 7, 2015 CenturyLink provided its response to Moss & Barnett. Moss & Barnett is preparing a Report for the Commission regarding the legal, technical and financial qualifications of CenturyLink.

WHAT WE KNOW

On May 15th the City of Minneapolis granted a cable franchise ordinance to CenturyLink. This is the first cable franchise CenturyLink has been granted in the state of Minnesota. As of this date no other Minnesota cities or cable commissions have granted CenturyLink a cable franchise.

WHAT HAPPENS NEXT

On Thursday, June 18, 2015 CenturyLink provided a marked up version of the existing Comcast franchise for the Commission's review and comment. Franchise negotiations between the parties will commence in the coming weeks to attempt to address the outstanding issues based upon CenturyLink's proposed changes to the Comcast Franchise. If a mutually acceptable cable franchise can be agreed upon, the Full Commission will meet to prepare its recommendation regarding the grant of a cable franchise to CenturyLink by the Member Cities. Thereafter, each Member City Council will consider adoption of a cable franchise to CenturyLink – or a denial of CenturyLink's application will be presented for consideration.

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