

## GUEST OPINION: Cable providers still not competitive enough

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Five years after passage of a state law that promised increased competition in cable service in Michigan, most Oakland County residents still have little or no choice when it comes to selecting their cable provider. Supporters of the Uniform Video Services Local Franchise Act (Public Act 480), passed in December of 2006, promised lower prices and better customer service.

A recent report from the Michigan Public Service Commission shows little change from previous years. A third of those communities responding to the MPSC survey reported more than one cable provider, but new providers working under the state law are not required to provide service to all households, as local franchises require. Therefore, a new provider may select which households it will provide with service and pass by the others. In many Oakland County communities, the percentage of households with access to the competing service is no greater than 20 percent, even though the community, as a whole, is counted as having a cable competitor.

The effect of this partial availability of competing cable services within a community is disturbing. While most cable subscribers are already frustrated at the lack of choice, they become even more irritated when a neighbor has access to a competing service and they don't.

In addition, the Federal Communications Commission recently reported that cable rates are increasing faster than the rate of inflation. Interestingly, those subscribers with a choice of providers are seeing increases at the same or an even faster pace.

Subscribers often ask their local communities to bring in a new cable provider. While local officials certainly would welcome an additional provider, they cannot mandate that a cable company enter their community. Many cable providers, for their own business purposes, choose to operate in a few select areas and do not provide service elsewhere.

Communities in Oakland County are working to ensure that the local franchising process is restored until meaningful cable competition develops. Local franchises reflect local residential and business needs better than state-mandated uniform agreements. Despite statewide deregulation of cable in Michigan in 2006, very little has changed in the choice, price, and service available to residents and businesses in the state of Michigan.

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