

CITY OF LOS ANGELES

CALIFORNIA

INFORMATION TECHNOLOGY
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September 13, 2013

REF: ASB- 228-13

Honorable Members of the City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, CA 90012

Subject: **TIME WARNER CABLE DIGITAL EQUIPMENT AND
PROGRAMMING CHANGES - COUNCIL FILE NO. 06-1029**

Dear Councilmembers:

This report is issued to inform the Los Angeles City (City) Council of proposed changes that Time Warner Cable (TWC) intends to implement, commencing on or about October 8, 2013, to its cable TV signal reception equipment and analog-to-digital programming upgrade to part of its channel line-up pursuant to TWC notices dated August 8, 2013 and addressed to the Information Technology Agency (ITA). (A sample copy of one of those notices is attached hereto as Attachment 1.) TWC subscribers were notified of the specific changes to their TWC TV line-up on September 6, 2013. (A sample copy of one of those notices is attached hereto as Attachment 2.)

TWC cable subscribers that may be affected by the digital equipment change and analog-to-digital programming upgrade to part of its channel line-up reside in most of the City Council Districts where TWC provides cable TV services.

BACKGROUND

On or about October 8, 2013, TWC intends to provide to its analog TV subscribers, free of charge, Digital Adapters (adapters) and remote control(s) so that those subscribers can continue to have access to the City's Public, Educational and Governmental Access (PEG Access) channels and other channels set forth below, until December 31, 2014. After that date, TWC will charge its analog cable TV subscribers \$.99 per month for each adapter. In addition, TWC intends to, "... channel map the affected analog PEG Access and commercial channels listed below so that they will remain visible on their pre-existing channel numbers when accessed through a TWC-supplied digital set top box, a Digital Adapter ("DA") or a CableCARD equipped Digital Cable Product" DAs may be picked up from TWC, or TWC will mail them to customers at TWC's expense. If a TWC subscriber needs in-home assistance with installation of the DA, a \$39.99 trip charge will apply.



PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS CHANNELS

Federal law requires a cable TV operator to carry a local public entity's PEG Access channels on its lowest or basic service tier. The Federal Communications Commission has determined that, "[The] range of charges for DTAs [digital transport adapters] and set-top boxes – i.e., free or a monthly fee of no more than \$2 – would satisfy the requirement for affordable equipment because the minimal additional cost, if any, is unlikely to discourage use of this [digital] equipment." (<http://www.fcc.gov/document/viewability-rule-sunsets-affordable-boxes-or-analog-carriage-allowed>).

Depending upon the TWC-City area that a TWC subscriber lives in, a TWC subscriber will find the City's PEG Access channels as follows:

| CHANNEL | DIGITAL CHANNEL# | QAM CHANNEL# |
|---------------------------------|--|--|
| Educational Access | Channel 25, 28, 37 or 99 | Channel 95.105, 97.105 or 98.105 |
| LA City View | Channel 35 | Channel 95.135 97.303 or 98.135 |
| LA36 | Channel 36 | Channel 95.136 97.103 or 98.136 |
| Government/Public Access | Channels 24, 29, 34, 96, 97 or 98 | Channel 93.188 95.104, 97.103, 97.104, 97.303 , 98.104, or 98.203 |

ADDITIONAL DIGITAL CHANGES TO TWC CHANNEL LINE-UP

In addition, and also depending upon the TWC-City area that a TWC subscriber lives in, TWC will also convert additional analog channels to the digital format, including: KXLA-IND (Ch. 14, 19 or 24), KTBN-TBN (Ch. 15 or 17), KSCI-IND (Ch. 18), KDOC-IND (Ch. 19 or 29), KVMD-IND (Ch. 23), KJLA-LATV (Ch. 20, 26 or 28), KPXN-ION (Ch. 21 or 30), KILM-FilmOn (Ch. 32).

FISCAL IMPACT

There will be no fiscal impact to the City until after December 31, 2014 when TWC intends to charge its analog subscribers for the adapter as set forth above. ITA intends to monitor this matter with TWC.

RECOMMENDATION

This report is provided for information only. Please note and file.

Questions regarding this report may be directed to Mark Wolf at (213) 978-3311 or William Imperial at (213) 922-8383.

Honorable Members of the City Council
September 13, 2013
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Respectfully submitted,



Steve Reneker
General Manager

Attachment

cc: Honorable Mayor Eric Garcetti
Honorable Councilmember Bob Blumenfield, Chairperson, ITGS
Rick Cole, Office of the Mayor
Doane Liu, Office of the Mayor
Stephanie Magnien Rockwell, CD 9
Laura McLennan, CD 11
Harout Semerdjian, CD 13
Mandana Khatabshahidi, Office of the Chief Legislative Analyst
Melissa Fleming, Office of the Chief Administrative Officer
Mike Dundas, Office of the City Attorney
Mark Wolf, ITA
William Imperial, ITA



August 8, 2013

Mr. Steve Reneker
General Manager
Information Technology Agency (ITA)
City of Los Angeles
200 N. Main Street, 14th Floor
Los Angeles, CA 90012

RE: Area A – West San Fernando Valley

Dear Mr. Reneker:

Effective on or about October 8, 2013, Time Warner Cable (“TWC”) will take another important step towards adding additional programming and improving Internet speeds by reclaiming bandwidth through providing existing programming in digital format only. In order to continue offering customers the advanced services they expect, we must continue our efforts to manage bandwidth utilization more efficiently. Since analog channels require up to 14 times more bandwidth than channels in digital format, we began the process several years ago of converting analog channels to digital-only format.

As part of this ongoing initiative, on or about October 8, 2013, Time Warner Cable will convert additional analog channels to digital format, including [KTBN-TBN (Ch. 15), KSCI-IND (Ch. 18), KDOC-IND (Ch. 19), KJLA-LATV (Ch. 20), KPXN-ION (Ch. 21), KXLA-IND (Ch. 24)], as well as Public, Education, and Government (“PEG”) Access channels, which will now be carried in digital format on the Basic Service Tier (“BST”). At that time, the listed channels will no longer be transmitted in analog format. We intend, however, to “channel map” these channels so that they will remain visible on their pre-existing channel numbers when accessed through a TWC-supplied digital set top box, a Digital Adapter (“DA”) or a CableCARD equipped Unidirectional Digital Cable Product (“UDCP”).

A majority of our customers have already participated in previous digital conversions. Those remaining customers not subscribing to digital services will need digital equipment – for example, a television equipped with a QAM tuner, a DA, or a CableCARD-equipped UDCP – to view these channels.

For the limited customers who do not already have digital equipment we will, upon request, offer DA(s) and remote control(s) in order that those customers may continue to have access to the PEG channels. Customers should contact TWC by October 8, 2013 – to obtain DA(s) and remote control(s) at no cost until December 31, 2014. Beginning January 1, 2015 each adapter will cost 99 cents per month. Just as is the case today, no customer will be required to subscribe to a tier higher than the BST in order to continue to view the PEG channels. I would ask that you or your designee

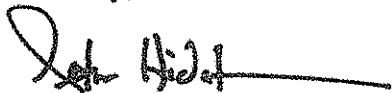
contact me as soon as possible so that we can identify any equipment needs you may have in order to ensure a smooth transition for your account.

TWC will provide customers with at least 30 days advance written notice to make this change as seamless as possible. We would also like to enlist the help of the community's local access channel(s) to provide information to customers on this transition. As noted above, TWC will "channel map" the PEG channels so that they will continue to be found on existing channel numbers when a TWC-supplied digital set box, a DA or a CableCARD-equipped UDCP is used. Customers using other devices to receive the digital channels, such as a digital television with a QAM tuner, will find the PEG channels as follows:¹

| Channel | Digital Channel # | QAM # |
|--------------------------|-------------------|----------------|
| Public Access | Channel 34 | Channel 97.104 |
| Government Access | Channel 35 | Channel 97.303 |
| Government/Public Access | Channel 36 | Channel 97.103 |
| Educational Access | Channel 37 | Channel 97.105 |

As always, I am available to discuss this matter at any time. You can reach me by emailing Peter.Hidalgo@twcable.com or by calling (213) 369-0016.

Sincerely,



Peter Hidalgo
Director, Government Relations – West Region
Time Warner Cable

CC: Mark Wolf, City of Los Angeles
William Imperial, City of Los Angeles
Lynn Burnstan, UCTV
Carla Carlini, LA36

¹The actual channel number displayed on the customer's ClearQAM device may vary depending on that device's manufacturer and/or model number. In addition, it may be necessary to perform a new channel scan before the customer is able to view these channels. The procedure for performing a channel scan varies from device to device. If the customer experiences any difficulties, we recommend that the customer consult the manual that came with the ClearQAM device or contact the manufacturer directly.



ENJOY
BETTER

September 6, 2013

Dear Valued Customer,

Time Warner Cable is moving towards a higher-quality, digital-only experience to provide better picture and sound, more HD channels, and more robust Internet speeds. Delivering channels in digital format is one way we continue to improve the quality of our service.

Starting on or about October 8, 2013, KTBN-TBN (Ch. 17), KSCI-IND (Ch. 18), KXLA-IND (Ch. 19), KVMD-IND (Ch. 23), KJLA-LATV (Ch. 28), KDOC-IND (Ch. 29), KPXN-ION (Ch. 30), KILM-FilmOn (Ch. 32) as well as local Public, Educational and Government access programming will be delivered in digital format only. These channels will remain in your existing package however they will only be viewable with digital equipment, such as a TWC-supplied digital set-top box, Digital Adapter or CableCARD™ (see equipment requirements on back). Note that this will not affect your local Public Broadcasting Service (PBS) station(s) which will continue to be carried in their current format(s) without change.

Please note you do not need to take action if all of your TVs are connected to a digital set-top box (like a TWC cable box), Retail CableCARD™ device or if your digital television is equipped with a QAM tuner.

If you want to view these channels on TVs that are *not currently connected to digital cable equipment*, you may between now and December 8, 2013 request Digital Adapters and remote controls free of charge through January 1, 2015. Beginning January 1, 2015, each of those Digital Adapters will cost 99 cents a month.*

It's easy for you to order Digital Adapters. Order online at twc.com/digitaladapter or call 1-855-286-1736 to speak to a Customer Care Representative.

If you have a TV with a built in digital cable tuner (QAM or ClearQAM) please note that you will continue to be able to view this programming without additional equipment on the following channels¹:

| CHANNEL | DIGITAL CHANNEL # | QAM CHANNEL # |
|--------------------|-------------------|----------------|
| Educational Access | Channel 25 | Channel 95.105 |
| LA City View | Channel 35 | Channel 95.135 |
| LA36 | Channel 36 | Channel 95.136 |
| Public Access | Channel 98 | Channel 95.104 |

We're committed to bringing you the high-quality entertainment and communications services you deserve. We appreciate your business and thank you for choosing Time Warner Cable.

Sincerely,

Time Warner Cable

¹The actual channel number displayed on your ClearQAM device may vary depending on that device's manufacturer and/or model number. In addition, it may be necessary to perform a new channel scan before you are able to view these channels. The procedure for performing a channel scan varies from device to device. If you experience any difficulties, we recommend that you consult the manual that came with your ClearQAM device or contact the manufacturer directly.

*Customers may go to any service center to pick up a Digital Adapter or choose the self-install kit ship option in which the equipment will be mailed to customer's mailing address provided. If customer prefers, a Time Warner Cable technician can deliver and install a Digital Adapter for a trip charge of \$39.99.

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Please note the new digital equipment requirements for the following programmers:

Channels KTBN-TBN (Ch. 17), KSCI-IND (Ch. 18), KXLA-IND (Ch. 19), KVMD-IND (Ch. 23), KJLA-LATV (Ch. 28), KDOC-IND (Ch. 29), KPXN-ION (Ch. 30), KILM-FilmOn (Ch. 32) require digital cable ready equipment such as:

- A TWC-supplied digital set-top box
- A TWC-supplied Digital Adapter
- A CableCARD™-equipped Unidirectional Digital Cable Product (UDCP)

PEG Channels require digital equipment such as:

- A TWC-supplied digital set-top box
- A TWC-supplied Digital Adapter
- A CableCARD™-equipped UDCP
- A digital television (or other device) equipped with a QAM tuner (a "ClearQAM" device)