



Comcast Testimony on LD 1932

An Act to Require Broadband Internet Access Service Providers to Prorate Customer Bills

Chair Lawrence, Chair Ziegler, and members of the Energy, Utilities and Technology Committee, thank you for the opportunity to offer the following testimony in opposition to LD 1932. My name is Chris Hodgdon I am Comcast's Vice President of Government Affairs here in Maine. Comcast serves 16 Maine communities, in the Mid Coast region from Freeport to Woolwich and along the New Hampshire border from Kittery to Sanford. We currently offer our broadband, video, voice, and mobile services to more than 69,000 Maine homes, businesses and institutions.

As a preliminary matter, customers may cancel Comcast's Xfinity services, including our Broadband Internet Access Services and Mobile Service at any time for any reason. Since Comcast's Xfinity service is paid in advance this often results in a pro rata credit due to the customer once the service is terminated. This policy of offering pro rata credits or rebates has been Comcast's policy for many years and did not change with the 2020 enactment of LD 2031. Additionally, Comcast makes it easy for customers to request a credit in the event of a service outage. We strive to provide customers with easy and convenient ways to communicate with Comcast, including recent improvements to the online Xfinity Assistant which allows credit request without speaking to an agent.

Despite it being Comcast's policy to offer a pro rata credit, if due, upon service termination, we express the following concerns about LD 1932. Putting aside the substantial questions about whether federal law preempts the application of this Bill to Broadband Internet Access Service and Wireless Services it is inappropriate to enact this language in MRSA 35-A. Issues such as those addressed in LD 1932 would more properly be situated in MRSA 10 under the authority of the Attorney General. This is particularly true because Broadband Internet Access Service is not a common carrier service nor is it provided by utilities under the jurisdiction of the Maine Public Utilities Commission. For example MRSA 35-A's definition of "public utility" expressly excludes virtually all "mobile telecommunications services," including Comcast's Xfinity Mobile.

In addition to jurisdictional issues, LD 1932 needs clarification to avoid being needlessly and unfairly disruptive for providers like Comcast which allow service termination at any time and provides pro rata credits when due. For example, Section 2 of the Bill which requires service cancellation, does not account for legitimate business policies which require customers to return provider owned equipment such as modems before service cancellation. Additionally, services may include a term contract or the financing of hardware such as wireless handsets through the

provider. Customers should not be allowed to cancel service until equipment is returned in good working order or the terms of financed hardware have been met.

Section 3 of the Bill requires Comcast to provide a credit upon request for service outages of six(6) or more consecutive hours over a 30-day period. While it is Comcast's policy to provide credits, when appropriate, LD 1932 would make these credit requests automatic, removing our ability to adequately investigate and respond such requests. To the extent that this legislation is being advanced in an effort to induce providers to prioritize service restoration or network resiliency it is important to understand that the pace and prioritization of restoration is not under the control of Internet Service Providers. Outages such as those caused by power outages, falling trees and motor vehicles are the most common cause of these disruptions. When electrical distribution infrastructure is damaged by a storm, falling trees or vehicle accidents restoration of Comcast's infrastructure can not begin until electric service is restored, and the location is made safe. The pace and prioritization of work is not within Comcast's control. Pole owners and electric utilities necessarily determine where and when restoration occurs and when Internet Service Providers can begin their work.

While storms, accidents and physical damage is neither the fault of the provider nor the customer there are instances when loss of service is within the customer's control. Many customers opt to own their own modem rather than lease one from Comcast, service interruptions due to customer owned equipment malfunction or failure is not within Comcast's control. Additionally, wiring within customer's homes and businesses are the property and responsibility of customers. Damaged internal wiring is a common source of service interruption and degraded service and like customer owned equipment is beyond the provider's control. Rather than enact legislation that removes our ability to work with customers to identify and understand outages and if appropriate issue a credit we urge the Committee to vote Ought Not to Pass.

Comcast believes, if challenged, LD 1932 would be preempted by federal law. Mass market Broadband Internet Access Services is preempted from state-level regulation as an interstate information service and has repeatedly and consistently been held as such in federal courts. Further, efforts to apply the provisions of this legislation to cellular mobile radio services such as Comcast's Xfinity mobile would similarly be preempted.

Thank you for the opportunity to address the Committee regarding this legislation. Interruptions and outages are disruptive and certainly effect the customer experience which is why our policy is to work with customers directly, if they contact us and request a credit, we empower our customer care employees to provide that credit. We have worked hard to develop new tools to make it simple and easy for customers to contact us. No additional legislation is warranted.

Thank you for your consideration of our comments regarding LD 1932. Comcast looks forward to working with the sponsor and other stakeholders to address these concerns and improve this legislation. I would be happy to answer any questions that you may have.

Comcast Makes it Easier to Get Refunds When Your Internet Goes Out
Luke Bouma, Cord Cutters News
5/11/23

Have you ever heard your internet go out for a long period of time? It happened to me just this week when I woke up and found my internet was offline. If you are working from home like I am, it's no fun at all. Even if you don't work from home, we count on the internet for everyday activities that it has become a necessity for many.

Now **Comcast** is making it easier to get credits when your internet is offline. Recently **Comcast** added the ability to ask for an outage credit right from your account page. No longer do you need to call **Comcast** and wait on hold to talk to an agent for a credit. Now it is automatically applied just by clicking the request a credit button.

This option has been in testing for some time now but is now widely available, as best we can tell, in all markets.

Well this may not be a perfect option as you still need to request the credit it is a far better experience than what was once offered.

2022 was not kind to cable TV companies as **Comcast** and Spectrum lost a combined 2.6 million TV customers in 2022. Now in 2023 that number is growing as Spectrum has already doubled its losses in the 1st quarter of 2023 vs that same period in 2022.

In **Comcast's** Q1 of 2023 earnings report released this week, **Comcast** reported it lost 614,000 video customer losses. That works out to be 6,800 subscribers Every Day.

Comcast saw traditional pay TV customers leave at a far faster rate in the 1st quarter of 2023 vs the 4th quarter of 2022 when they lost 440,000 video customers. To help offset these losses, **Comcast** also reported adding 355,000 wireless customers.

Now it seems that **Comcast** wants to be able to keep customers happy with easier-to-get credits.