

2004 DEC 30 PM 2: 04

December 23, 2004

New York State Public Service Commission
Mr. John Creary
Secretary to the Commission
Three Empire State Plaza
Albany, New York 12223

04-V-1355

**Application By Mid-Hudson Cablevision, Inc. To The Town of Claverack,
(Including the Village of Philmont), Columbia County, New York
To Renew The Franchise Agreement**

Pursuant to Part 591 of the rules of the New York State Public Service Commission, Mid-Hudson Cablevision, Inc., hereby respectfully notifies the Town of Claverack (Including the Village of Philmont) of its intention to exercise its option to renew the franchise for a period of ten (10) years as set forth in part 2 of the Franchise dated the December 29, 2004.

1. The legal name of the franchisee is: **Mid-Hudson Cablevision, Inc.**
2. Franchisee does business under the name of: **Mid-Hudson Cablevision, Inc.**
3. Franchisee's mailing address is: **P.O. Box 399, 200 Jefferson Heights
Catskill, New York 12414**
4. Applicant's telephone number is: **(518) 943-6600**

5a. This notification concerns Mid-Hudson Cablevision's exercising of its option to renew its franchise to provide cable television service to the Town of Claverack, (Including the Village of Philmont), Columbia County, New York. This application is applicable to the period of December 13th, 2004 through December 13th, 2014.

5b. The franchise serves the following additional municipalities:

Village of Catskill	Town of Livingston	Town of Greenport
Village of Athens	Town of Coeymans	Village of Ravena
Town of New Baltimore	Village of Philmont	Town of Claverack
Town of Stockport	Town of Gallatin	Town of Prattsville
Town of Ashland	Town of Windham	Town of Cairo
Town of Catskill	Town of Coxsackie	Town of Greenport
City of Hudson	Town of Westerlo	Village of Coxsackie
Town of Bethlehem		Town of Athens

6. The number of subscribers in each of the municipalities is attached as "Exhibit A"

7. The signals regularly carried by Mid-Hudson Cablevision in the Town of Claverack (Including the Village of Philmont) and the method of reception is attached as "Exhibit B".

8. Mid-Hudson Cablevision does provide Channel Capacity and limited production capacity for Local Origination. During the preceding twelve month period, approximately 1250 hours of Local Origination programming were carried by Mid-Hudson Cablevision. This programming consisted of public affairs, local items of interest and religious information.

9. The current monthly rates for service in the Town of Claverack (Including the Village of Philmont) are:

Interdicted Subscribers Basic Service \$ 44.90

Premium Services available from \$ 3.95 to \$ 11.95

10. There was no new construction placed in operations in the Town of Claverack (Including the Village of Philmont) during the preceding twelve (12) months.

There were 60 miles of new construction placed in operations in the communities specified in 5b (above) during the preceding twelve (12) months.

11. The significant achievements and improvements which Mid-Hudson Cablevision initiated during the previous twelve (12) months are:

- a. Completed the rebuild of the Claverack, area to 550 Mhz analog and 750 Mhz, digital.
- b. Introduced a digital platform using the Headend In The Sky (HITS) technology allowing the delivery of 82 television channels in a digital format plus 37 channels of digital music in addition to the existing 78 channels being delivered in the analog format.

Mid-Hudson Cable was the first independent cable system in the nation to launch Video On Demand (VOD) and Subscription Video On Demand (SVOD). Mid-Hudson launched VOD with content from iNDEMAND and SVOD with content from HBO and Cinemax in September of 2003. Mid-Hudson Cable launched High Definition Television in the fall of this year offering 7 channels of High Definition programming.

- c. Introduced Cable Modem technology for High Speed access to the Internet throughout the service area. Mid-Hudson Cable was the first in the Albany area to launch Voice Over Internet Protocol (VOIP) technology allowing high speed cable modem subscribers to call over the internet.
- d. Digitized the ad insertion capability and expanded that capability for digital insertion from 16 to 24 channels.
- e. The production of local monthly programs entitled "Connections", "Columbia County Spotlight", and "Greene County Review".

f. The initiation of Cable Alliance for Education including the "Cable in the Classroom" project among local school districts.

g. Mid-Hudson Cablevision won CTTANY Gilbert Award for the production of the United Way Telethon in 2000. Mid-Hudson Cablevision, Inc. won the Gilbert Award in 2002 for its production of "Every 15 Minutes".

h. Mid-Hudson Cablevision was recognized by the Columbia County Chamber of Commerce for producing and hosting the United Way Telethon. This award honors the most extraordinary contribution to economic progress, community improvement and quality of life in Columbia County over the past year by a business operating in Columbia County.

12. The franchisee has filed with the New York State Public Service Commission its current statement of assessment pursuant to section 817 of the Executive Law, and its current annual financial report.

13. Five true copies of the existing franchise agreement and letter notifying the franchise authority of Mid-Hudson Cablevision's intention to exercise its option to renew the franchise attached hereto.

14. A copy of the most recent test data is attached hereto. "Exhibit C".

15. Mid-Hudson Cablevision provides public access in accordance with the rules of the New York State Department of Public Service and the Communications Policy Act of 1984. The primary public access channel is channel 11.

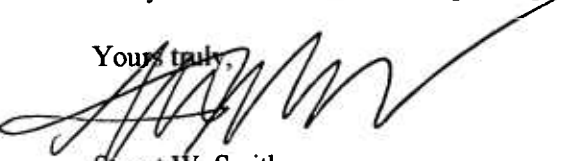
16. The proposed operations to continue providing cable television service to the Town of Claverack, New York, would in no way be inconsistent with and Federal or State law or regulation.

17. A copy of proof of publication noticing this filing will be forwarded within the next fourteen days.

18. Proof that copy of this application has been filed with the municipality by certified mail is attached hereto.

If any further information is required, please do not hesitate to contact us.

Yours truly,


Stuart W. Smith
Operations Manager

SWS/jm

cc: Mr. James Keegan, Supervisor, Town of Claverack
Mr. Phillip Mossman, Mayor, Village of Philmont

Certified Letter # 7002 3150 0001 3175 9909

EXHIBIT A

**TOWN OF CLAVERACK
FRANCHISE RENEWAL NOTIFICATION**

(Number of subscribers from August 2004)

Municipality	Total Basic Subscribers	Total Premiums Units
Town of Catskill	2028	941
Village of Catskill	1475	742
Town of Athens	450	151
Village of Athens	506	185
Town of Greenport	1261	654
Town of Stockport	791	401
City of Hudson	2269	1115
Town of Claverack	1080	540
Village of Philmont	437	207
Town of Coxsackie	858	411
Village of Coxsackie	894	392
Village of Ravena	1453	651
Town of Coeymans	585	337
Town of Bethlehem	17	2
Town of New Baltimore	443	207
Town of Cairo	1839	652
Town of Greenville	698	208
Town of Livingston	845	361
Town of Westerlo	352	115
Town of Gallatin	172	104
Town of Prattsville	141	25
Town of Windham	1126	356
Town of Ashland	133	48

Exhibit B

Channel		Frequency	Interdiction 750MHz
2	54-60	WMHT	
3	60-66	Fox News	
4	66-72	TV Guide	
A-8	72-76	WRMB	
5	76-82	OVC	
6	82-88	WRGB	
A-6	88-94	Hits-1	
A-4	94-102	Hits-2	
A-3	102-108	Hits-3	
A-2	108-114	Central data stream 108.2	
A-1	114-120	EWTV	
14	120-126	CNN-2	
15	126-132	Cinemax	
16	132-138	HBO	Basic Channels Channels Common to Add./ Inter. Addressable Scrambled Channels Interdicted/Jammed Channels Digital Channels Available Channel Space
17	138-144	HBO Plus	
18	144-150	HBO Signature	
19	150-156	Biography	
20	156-162	National Geographic	
21	162-168	Disney	
22	168-174	Home Shopping	
7	174-180	WEWB	
8	180-186	WXXA	
9	186-192	WEDG	
10	192-198	WTEN	
11	198-204	Local Orig.	
12	204-210	FY	
13	210-216	WNYT	
23	216-222	Lifetime	
24	222-228	CNBC	
25	228-234	VH-1	
26	234-240	Nashville	
27	240-246	TWC	
28	246-252	MTV	
29	252-258	ESPN	
30	258-264	ESPN-2	
31	264-270	Nickelodeon	
32	270-276	MSG	
33	276-282	Fox Sports	
34	282-288	WE	
35	288-294	TNT	
36	294-300	Fox Family	
37	300-306	Discovery	
38	306-312	Hallmark	
39	312-318	A&E	
40	318-324	YES	
41	324-330	The Movie Ch.	
42	330-336	OTB / C-Span 1	
43	336-342	Country Music TV	
44	342-348	USA	
45	348-354	MSNBC	
46	354-360	ESPN classics	
47	360-366	Outdoor Life	
48	366-372	Sci-Fi	
49	372-378	Cartoon	
50	378-384	HQTV	
51	384-390	The History Ch.	
52	390-396	Comedy Central	
53	396-402	Bravo	
54	402-408	WTBS	
55	408-414	The Learning Channel	
56	414-420	E! Entertainment	
57	420-426	CNN	
58	426-432	Tek-TV	
59	432-438	WRNN / C-Span 2	
60	438-444	Game Show	
61	444-450	Great Amer. Country	
62	450-456	In Demand Specials	
63	456-462	In Demand Movies	
64	462-468	Food Network	
65	468-474	TV Land	
66	474-480	Court TV	
67	480-486	FMC	
68	486-492	TCM	
69	492-498	American Movie Classics	
70	498-504	Animal Planet	
71	504-510	Travel Ch.	
72	510-516	Golf	
73	516-522	Speedvision	
74	522-528	Much Music	
75	528-534	Style	
76	534-540	Soap	
77	540-546		
78	546-552	Spice PPV	
79	552-558	Hits-1	
80	558-564	Hits-2	
81	564-570	Hits-3	
82	570-576	Hits-4	
83	576-582	Hits-5	
84	582-588	Hits-6	
85	588-594	Hits-7	
86	594-600	Hits-8	
87	600-606	Hits-9	
88	606-612	Hits-10	
89	612-618	Hits-11	
90	618-624	Hits-12	
91	624-630	Hits-13	
92	630-636	Cable Modem UBR-2 DS4	
93	636-642	Cable Modem UBR-1 DS5	
94	642-648	Cable Modem UBR-1 DS4	
100	648-654	Cable Modem UBR-2 DS3	
101	654-660		
102	660-666		
103	666-672		
104	672-678		
105	678-684	Return camera	
106	684-690		
107	690-696		
108	696-702		
109	702-708		
110	708-714		
111	714-720		
112	720-726		
113	726-732		
114	732-738		
115	738-744		
116	744-750		



Mid-Hudson Cablevision
200 Jefferson Hgts.
Catskill, NY
12414
518-943-6600

Model: SDA-5000

Operator: ?

Date: 12/27/04 Time: 14:12:39

Description:

Serial #: 3140267

File: CLAV

Cal Date: 10/16/02

DOS File: CLAV

MODE 89 9H CLAV.

Location: CLAV
Location Type: FieldTest
Area:
Test Pnt Type:
Test Pnt Comp:
AC Voltage:

AmplD:
Power Cfg:
Feeder Maker Cfg:
Trunk Term:
Voltage Setting:
DC Voltage (reg):

Reverse Pad:
Forward Pad:
Rev Equalizer:
Fwd Equalizer:
Temp:
DC Voltage (unreg):

Chan	Label	Video (dBmV)	Audio (dBmV)	Delta V/A (dB)	C/N (dB)	Hum (%)	Mod (%)
2		26.4	10.9	15.5	—	—	—
3		24.9	9.5	15.4	—	—	—
4		25.8	9.9	15.9	45.3	1.6	78.6
5		22.8	9.5	13.3	—	—	—
6		23.7	7.3	16.4	—	—	—
95	HI	18.7	0.0	18.7	—	—	—
96	HI	20.6	0.0	20.6	—	—	—
97	HI	21.1	0.0	21.1	—	—	—
99		22.9	8.0	14.9	—	—	—
14		23.0	7.6	15.4	45.0	1.0	84.1
15		23.4	8.4	15.0	—	—	—
16		22.6	7.4	15.2	—	—	—
17		23.0	7.7	15.3	—	—	—
18		23.3	8.2	15.1	—	—	—
19		23.1	7.5	15.6	—	—	—
20		23.5	9.0	14.5	—	—	—
21		22.7	6.5	16.2	—	—	—
22		23.9	8.5	15.4	—	—	—
7		24.4	8.5	15.9	—	—	—
8		24.0	8.4	15.6	—	—	—
9		23.7	8.4	15.3	—	—	—
10		24.6	8.9	15.7	—	—	—
11		24.5	8.7	15.8	—	—	—
12		23.1	7.0	16.1	—	—	—
13		23.4	6.8	16.6	—	—	—
23		22.6	7.4	15.2	—	—	—
24		23.9	8.4	15.5	—	—	—
25		24.2	7.8	16.4	—	—	—
26		23.7	7.9	15.8	—	—	—
27		24.0	7.2	16.8	45.5	0.7	87.6
28		23.7	8.1	15.6	—	—	—
29		23.8	8.2	15.6	—	—	—
30		22.6	6.3	16.3	—	—	—
31		22.7	7.1	15.8	—	—	—
32		23.1	6.1	17.0	—	—	—
33		24.0	9.1	14.9	—	—	—
34		21.6	5.0	16.6	—	—	—
35		21.3	5.7	15.6	—	—	—
36		22.8	7.4	15.4	45.8	1.0	89.4
37		22.9	7.5	15.4	—	—	—
38		22.2	7.2	15.0	—	—	—
39		21.5	6.6	14.9	—	—	—
40		22.7	8.0	14.7	—	—	—
41		21.7	6.0	15.7	—	—	—
42		22.3	6.0	16.3	—	—	—
43		23.2	7.8	15.4	—	—	—
44		22.6	7.8	14.8	—	—	—
45		21.7	6.8	14.9	44.2	LO 0.9	73.6
46		21.7	7.1	14.6	—	—	—



Mid-Hudson Cablevision
200 Jefferson Hgts.
Catskill, NY
12414
518-943-6600

Model: SDA-5000
Operator: ?
Date: 12/27/04 Time: 14:12:39
Description:

Serial #: 3140267
File: CLAV

Cal Date: 10/16/02
DOS File: CLAV

Chan	Label	Video (dBmV)	Audio (dBmV)	Delta V/A (dB)	C/N (dB)	Hum (%)	Mod (%)
47		20.9	5.0	15.9	--	--	--
48		20.9	5.8	15.1	--	--	--
49		20.2	4.7	15.5	--	--	--
50		21.1	5.3	15.8	--	--	--
51		21.7	7.8	13.9	--	--	--
52		21.8	6.9	14.9	--	--	--
53		21.8	6.3	15.5	--	--	--
54		22.1	7.0	15.1	--	--	--
55		21.9	6.8	15.1	--	--	--
56		22.6	7.3	15.3	42.9	LO 0.8	82.0
57		22.7	8.3	14.4	--	--	--
58		22.4	7.6	14.8	--	--	--
59		23.6	7.2	16.4	--	--	--
60		23.5	8.0	15.5	--	--	--
61		22.7	7.2	15.5	--	--	--
62		23.1	8.1	15.0	--	--	--
63		23.8	8.9	14.9	--	--	--
64		22.9	7.9	15.0	45.1	1.2	72.3
65		22.4	8.4	14.0	--	--	--
66		23.5	8.6	14.9	--	--	--
67		24.4	8.7	15.7	46.1	1.2	75.8
68		23.2	9.2	14.0	--	--	--
69		24.7	9.4	15.3	--	--	--
70		24.2	9.4	14.8	--	--	--
71		24.1	10.4	13.7	--	--	--
72		23.6	8.4	15.2	--	--	--
73		23.5	8.8	14.7	--	--	--
74		23.8	8.3	15.5	--	--	--
75		23.4	8.5	14.9	--	--	--
76		23.6	8.1	15.5	--	--	--
77		22.9	-0.6	23.5	HI	--	--
78		24.1	8.3	15.8	46.3	1.1	66.6
79		16.2	HI 0.0	16.2	--	--	--
80		17.2	HI 0.0	17.2	--	--	--
81		17.9	HI 0.0	17.9	--	--	--
82		17.8	HI 0.0	17.8	--	--	--
83		17.9	HI 0.0	17.9	--	--	--
84		20.0	HI 0.0	20.0	--	--	--
85		18.1	HI 0.0	18.1	--	--	--
86		18.9	HI 0.0	18.9	--	--	--
87		20.1	HI 0.0	20.1	--	--	--
88		18.7	HI 0.0	18.7	--	--	--
89		19.9	HI 0.0	19.9	--	--	--
90		20.1	HI 0.0	20.1	--	--	--
91		20.2	HI 0.0	20.2	--	--	--
92		20.3	HI 0.0	20.3	--	--	--
93		18.9	HI 0.0	18.9	--	--	--
94		18.8	HI 0.0	18.8	--	--	--
100		20.5	HI 0.0	20.5	--	--	--
101		19.5	HI 0.0	19.5	--	--	--
105		18.6	-0.4	19.0	HI	--	--
114		18.8	HI 0.0	18.8	--	--	--
115		19.5	HI 0.0	19.5	--	--	--
116		20.7	HI 0.0	20.7	--	--	--



Mid-Hudson Cablevision
200 Jefferson Hgts.
Catskill, NY
12414
518-943-6600

Model: SDA-5000
Operator: ?
Date: 12/27/04 Time: 14:12:39
Description:

Serial #: 3140267
File: CLAV_____

Cal Date: 10/16/02
DOS File: CLAV_____

LIMIT CHECK	Limit	Actual	
Min Video Carrier Level	0.0 dBmV	Ch 105 Video = 18.6	Pass
Max Delta Video Level	5.0 dB	Ch 2 and 105, Delta = 7.8	Pass
Min Delta V/A	10.0 dB	Ch 5 Delta V/A = 13.3	Pass
Max Delta V/A	17.0 dB	Ch 77 Delta V/A = 23.5	Fail
Max Delta Adjacent Chan	3.0 dB	Ch 33 and 34, Delta = 2.4	Pass
Min Carrier to Noise	45.0 dB	Ch 56 C-N = 42.9	Fail
Max Hum	3.0 %	Ch 4 Hum = 1.6	Pass
Min Digital Level	-7.0 dBmV	Ch 79 Digital = 16.2	Pass
Max Digital Level	15.0 dBmV	Ch 97 Digital = 21.1	Fail
Conclusion:			FAIL

Reviewed: _____

Date: _____

FRANCHISE AGREEMENT

This **FRANCHISE AGREEMENT** made this 13th day of December, 2004, between the Town of Claverack (Including the Village of Philmont), ("Town") and Mid-Hudson Cablevision, Inc. ("Mid-Hudson") having its principal office at Catskill, New York.

WHEREAS, Mid-Hudson is desirous of renewing its franchise to maintain and operate a cable television system in the Town and Village; and

WHEREAS, maintenance and operation of said cable television system involves the use and occupation by Mid-Hudson of the streets, thoroughfares and other public rights-of-way belonging to the Town and Village; and

WHEREAS, the technical ability, financial condition and character of Mid-Hudson and its principals have been considered and approved by the Town Board in a public proceeding affording due process; held on the 13th day of December, 2004; and

WHEREAS, the plans of Mid-Hudson for continued operation of said cable television system have been considered by the Town Board and found adequate and feasible in a full public proceeding affording due process; and

WHEREAS, by resolution of the Town Board dated the 13th day of December, 2004, the Town has granted a ten (10) year non-exclusive cable television franchise to Mid-Hudson Cablevision, and authorized the President to execute this Franchise Agreement with Mid-Hudson upon the terms hereinafter set forth; and

WHEREAS, this Franchise Agreement complies with the franchise standards required by the New York State Public Service Commission, and the Cable Consumer Protection Act of 1992.

NOW, THEREFORE, in consideration of the mutual conditions and covenants contained herein:

IT IS MUTUALLY AGREED AS FOLLOWS:

1. GRANT

The Town of Claverack, hereby grants to Mid-Hudson, its successors and assigns the non-exclusive right and privilege to erect, place in the Town and Village and to construct, maintain and operate in, over and under the present and future streets, sidewalks, alleys, public land and places and highways in or of the Town, towers, poles, lines, cables, necessary wiring and other apparatus for the purpose of transmitting, receiving, amplifying and distributing of cable television, telephone, telegraph, television, radio signals and data transmissions and other video and aural programming and communications within the said Town and to the inhabitants thereof, for the purpose of providing telecommunications and related services to the residents of the Town and Village.

2. FRANCHISE AREA

A. Mid-Hudson's rights and obligations set forth in this agreement shall be applicable to the Primary Service Area as shown on the attached map marked 'Exhibit II'. Mid-Hudson agrees to have cable service available, at the basic rate, to any resident who lives within 250 feet of a cabled public right-of-way in the Primary Service Area. Areas outside the Primary Service Area will be considered as line extension areas and residents may receive service in accordance with the line extension formula as stated in section 2B.

B. Any area in the Town not specified as part of the primary service area is hereby designated a line extension area.

Service shall be provided to any line extension area upon request provided that the area has 20 homes per mile (HPM) or has the equivalent in HPM to the primary service area, whichever is less. The HPM statistic for the primary service area will be determined by dividing the total dwelling units passed in the primary service area by the total linear miles of the cable plant in the primary service area.

Any resident in a line extension area falling below the minimum HPM figure outlined above, shall be able to receive service upon payment in full and in advance of a sum to be designated as a contribution in aid of construction (CAC). Such CAC shall be computed as follows:

$$\frac{C}{LE} - \frac{CA}{P} = SC (CAC)$$

- C** = the cost of construction of new plant.
- CA** = the average cost of construction per mile in the primary service area.
- P** = the either 35 HPM or the average number of dwelling units mile of aerial cable in the primary area whichever is less.
- LE** = the number of dwelling units requesting service in the line extension area.
- SC** = subscriber contribution in aid of construction for the line extension.

Mid-Hudson shall apply for all mandatory licenses, permits, amendments and approvals within 30 days of the receipt of all CAC payments for a line extension area. Mid-Hudson shall provide service to line extension area within 60 days of the receipt of all mandatory licenses, permits, amendments, and approvals.

During five year period commencing at the completion of CAC line extension, a prorated refund may be paid to previous subscribers as new subscribers are added to the particular line extension; the amount of the refund, if any shall be determined annually by application of the above stated formula. The refunds shall be paid annually to the subscribers, or former subscribers, entitled to receive them. However, Mid-Hudson County shall not be required to provide refunds to any previous subscriber otherwise entitled to a refund, who is no longer at either the service address or billing address, and who has not informed the company of the subscriber's address.

3. SERVICE

A. Mid-Hudson shall, maintain and continue to operate, acceptable service in a safe and reliable manner. Channels and services may be changed from time to time depending on availability and the desires of the subscribers. If any signal should become unavailable through no fault of Mid-Hudson's it shall be replaced as soon as possible by a substitute signal. Mid-Hudson agrees that in replacing unavailable signals to give preference, if possible, to subscribers' wishes, if they can reasonably be determined but the responsibility of the selection of replacement signals shall be solely that of Mid-Hudson.

B. Regular Basic service will consist of at least thirty eight (38) channels and/or services carried in the VHF spectrum between channels two (2) and seventy eight (78). Mid-Hudson will also make available a Broadcast Basic tier which will contain fewer channels than its Regular Basic Tier at a reduced price.

C. Mid-Hudson agrees that it will furnish the aforescribed Basic Cable Service to all residential subscribers daily, 24 hours per day, throughout the term of its franchise for the standard basic cable rate. Mid-Hudson will maintain a 24 hour toll free answering service to handle customer service calls.

4. RATES

The rates and charges imposed by Mid-Hudson shall be in accordance with the rules of the New York State Public Service Commission as set forth in section 595.1(e).

5. CONSTRUCTION

A. Any future Construction schedules and sequence will depend on arrangements with local utility companies for make-ready. Installation of all equipment will be accomplished in accordance with all Federal and State agency regulations, the National Electrical Code of the National Board of Fire Underwriters and utility companies' regulations.

B. Mid-Hudson shall construct any future cable television plant within one (1) year from the receipt of all mandatory construction and utility permits. Unless conditions beyond the control of Mid-Hudson interfere with Mid-Hudson's proposed constructions schedule.

C. Mid-Hudson shall construct any future cable television system using materials of good and durable quality, and all work involved in construction, installation, maintenance and repair of the cable system shall be performed in a safe, thorough, and reliable manner.

D. When an aerial installation extends more than 250 feet from Mid-Hudson's trunk or feeder cable the subscriber will be charged on a time and material basis beyond the first 250 feet of the extension.

TOWN OF CLAVERACK (INCLUDING THE VILLAGE OF PHILMONT) FRANCHISE

E. When a subscriber specifically requests nonstandard installation of cable, installation charges will be based on time and material costs. The term "Standard Installation" is defined in the annexed Exhibit I.

F. When a customer specifically requests underground installation, the installation charge will be based on time and materials. The customer may be required to provide the necessary trenching for underground service at his own expense.

G. In the event that Mid-Hudson is unable to obtain easements from landowners for necessary construction or service purposes, it will not be required to furnish service to customers in that area unless a reasonable alternate route is available.

6. FRANCHISE FEE

Mid-Hudson Cablevision agrees to pay a franchise fee for compensation for the rights and privileges enjoyed hereunder. Mid-Hudson Cablevision will pay 3% of gross monthly revenue received from provision of recurring cable services to subscribers. Recurring cable services includes the monthly charge paid by cable subscribers and receipts from pay-per-view services, but does not include monies received from non-cable subscriber sources and one-time payments for equipment sales, installation fees and similar miscellaneous items that are already subject to sales tax. The sum shall be paid annually on or before the 15th day of June of each year.

7. FREE SERVICE

Mid-Hudson may provide one (1) standard installation (Exhibit I) and Broadcast Basic service free of monthly charges to schools, civic, public, and municipal buildings located in the Primary Service Area as set forth in Exhibit's II.

8. COMPLAINTS

A. Mid-Hudson shall maintain a listed telephone number toll free to the main office for the purpose of receiving and responding to cable television subscriber complaints.

B. All subscriber complaints or trouble calls shall receive investigative action on the same day such complaint or call is received at the office, if possible, but in no case later than the following business day. Customer Service standards shall be processed in compliance with the standards set forth in Section 590 and 596 of the rules and regulations of the New York State Public Service Commission.

C. Mid-Hudson shall provide notice to each subscriber, upon installation and twice a year thereafter of the procedure for reporting and resolving subscriber complaints. (Such notice may be written or by such other means as the New York State Public Service Commission may from time to time approve).

9. PROHIBITION OF ABANDONMENT

Mid-Hudson shall not abandon service to any portion of the service area in this franchise without the prior written consent of the Town Board of the Town of Claverack, which consent shall not reasonably be withheld.

10. RECORDS & REPORTS

Mid-Hudson will keep a full record of the plans, maps, and records showing the exact location of all equipment located and used in the Town of Claverack. The Town reserves the right, upon reasonable notice during normal business hours, to inspect all pertinent maps, plans, and other materials of Mid-Hudson pertaining to the construction and operation of the cable plant in the Town. Mid-Hudson is a private company and does not publish a public financial statement.

11. EQUAL EMPLOYMENT

Mid-Hudson shall not refuse to hire or employ nor bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, marital status, color, national origin, or sex. Mid-Hudson shall have an Equal Employment Program on file at its' main office for public inspection.

12. INDEMNIFICATION AND INSURANCE

A. Mid-Hudson, its successors and assigns shall at all times save and keep harmless and fully indemnify the Town, its officers, agents, servants, and employees from and against any and all loss, liability, suits, damages, costs, charges, legal fees and expenses in any manner arising from the construction, repair extension, maintenance or operation of their equipment of any kind or character and from any negligence, fault, or misconduct on the part of Mid-Hudson, its officers, agents, servants and employees or by reason of any act done or omitted to be done in the premises of said Town. Mid-Hudson shall obtain and carry property damage and personal liability insurance written by and insurance company or companies qualified to do business in the State of New York. The amounts of such insurance shall not be less than \$500,000 for liability due to damage to property, no less than \$1,000,000 for liability due to injury or death of any person and not less than \$2,000,000 for liability due to any one accident. The Town shall notify Mid-Hudson within thirty (30) days after the presentation of any claim or demand, either by suit or otherwise, made against the Town on account of any negligence or other conduct on the part of Mid-Hudson,

B. A certificate evidencing the insurance coverage required by paragraph (A) above, shall be delivered by Mid-Hudson to the Town Clerk as requested.

13. REPAIR OF PROPERTY

Any Town property damaged or destroyed by Mid-Hudson shall be promptly replaced and permanently restored to the condition in which it was prior to such damage or destruction at the sole expense of Mid-Hudson and for failure to do so the Town may do so and charge the cost thereof to Mid-Hudson.

14. FRANCHISE TERM

Mid-Hudson Cablevision's franchise shall run for a term of ten (10) years from January 7th, 2005 through January 7th, 2015. The franchise may be renewed in accordance with the rules of the New York State Public Service Commission as outlined in part 591 of the Commission's rules.

15. TERMINATION

This franchise may be forfeited upon the failure to observe the material terms and conditions outlined herein. The failure of Mid-Hudson to obviate or correct any material violation within a reasonable period of time after being notified by the Town in writing may, upon the option of the Town, after a public hearing, held after due notice, and subject to the review of the New York State Public Service Commission, terminate the contract and end the franchise.

16. RESPONSIBLE MUNICIPAL OFFICER

The Supervisor shall be responsible for the continuing administration of this franchise.

17. PUBLIC-EDUCATIONAL-GOVERNMENTAL (PEG) ACCESS

Mid-Hudson will provide PEG access in accordance with the Standards of the New York State Public Service Commission, as set forth in 595.4 of the commission's rules, and the rules of the Federal Communication Commission and Cable Consumer's Protection Act of 1992.

18. APPROVAL AND AMENDMENT OF PROVISIONS

A. The terms and provisions of this franchise are subject to the approval of the New York State Public Service Commission.

B. Should the Federal Communications Commission or the New York State Public Service Commission make such modifications of the provision of their rules and regulations that would require the amendment of the agreement, necessary amendments will be sought within one (1) year of the date of issue.

C. Referral:

1. Upon application by Mid-Hudson for amendment of this franchise the Town shall promptly hold a public hearing on said application no later than the next regularly scheduled meeting of filing of the application. The public hearing is to be preceded by public notice which shall include the amendment and the matter will ultimately be approved by the New York State Public Service Commission.

2. The Town shall take action on the application at its next regularly scheduled session and, in any event, within thirty (30) days following the public hearing.

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3. The Town hereby agrees that if it denies or modifies such application, it shall provide Mid-Hudson with a written decision setting forth its reasons for such action.

4. In the event the Town shall deny or modify the application in whole or in part, or shall fail to take action on the application within thirty (30) days following the hearing (unless extended by mutual agreement of the parties), the matter may be certified to the New York State Public Service Commission with the statement that the parties are unable to agree and request that the matter be determined by the Commission. The Town further agrees that it will cooperate with and assist Mid-Hudson in these proceedings held by the Commission, including, but not limited to the adoption of such resolutions or other Town actions as may be required by the Commission.

The burden of preparing and filing any application for the commission shall be borne solely by Mid-Hudson. Any action required by the Town in no way deprives it of the right to submit such comments as it may deem appropriate to the commission with respect to the application.

D. The Town reserves the right to adopt such additional regulations as it shall find necessary in the exercise of its police power, provided such regulations are reasonable and not materially in conflict with the rights and privileges granted in this franchise.

19. MATERIAL PROVISIONS AND SEVERABILITY

Should any provision of this franchise be held invalid by any court or regulatory agent of competent jurisdiction, the remaining provisions of this franchise shall remain in full force and effect.

20. REPRESENTATIONS

This agreement sets forth all of the promises, agreements, conditions, and understandings between the Town and Mid-Hudson Cablevision with respect to the subject matter hereof and supersedes all negotiations, conversations, discussions, correspondence and agreements between the Town and Mid-Hudson concerning such subject matter. This Franchise can only be changed in accordance with section 18 or as agreed by the parties in writing.

21. EXCUSABLE DELAY

In no event shall Mid-Hudson be liable to the Town for any delay or failure to perform hereunder, which delay or failure to perform is due to causes beyond the control of Mid-Hudson, without limitation, acts of God, strikes, fires, war or other malfunction or failure of any entity from which Mid-Hudson obtains licenses, permits, materials, information, or has contracts with in order to perform the services under this agreement.

22. NECESSARY OPERATING AUTHORITY

Mid-Hudson shall file requests for all necessary operating authorizations with the New York State Public Service Commission and the Federal Communications Commission within sixty (60) days from the effective date of this franchise.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

MID-HUDSON CABLEVISION, INC.

By: 

James M. Reynolds, President

TOWN OF CLAVERACK
(INCLUDING THE VILLAGE OF PHILMONT)

By: 

James Keegan, Supervisor

EXHIBIT I

"Standard Installation" shall be defined as the work required to establish a service connection (service drop) between the CATV distribution facilities and the residential subscriber outlet in a single dwelling unit structure. This work normally takes approximately one hour and involves installing a black service drop wire from the CATV distribution facilities for a distance of no more than 250 feet to an attachment on the subscriber's house in a manner similar to the installation of a telephone service drop. From this point the cable is then routed to the cable outlet by the most convenient path. Standard installation will include all necessary work associated with the normal routing of the service drop. All installations will be grounded in accordance with the National Electrical Safety Code and the rules of the New York State Public Service Commission.

Standard Installation will not apply in the following situations:

A.) any type of multiple dwelling complex; hotels, motels, apartment houses, hospitals, etc.

B.) When the subscriber drop must be extended more than 250 feet from the CATV distribution system.

C.) When Special work is requested or must be performed in order to establish the service connection between the CATV distribution facilities and the subscriber terminal or TV set.

Examples of this type of work could be: Prewiring of a new building for multiple outlets or other purposes; special subscriber requests for wiring in attics, basements, crawl spaces or to install wires internally in preexisting walls.

D.) Special drilling through concrete, steel, asbestos shingles. All nonstandard requests shall be performed on a time and material basis. All underground installations are considered nonstandard.

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EXHIBIT II

**TOWN OF CLAVERACK (INCLUDING THE VILLAGE OF PHILMONT) FRANCHISE MAP
OF PRIMARY SERVICE AREA**

Public Notice

Mid-Hudson Cablevision has filed a franchise renewal for the Town of Claverack (including the Village of Philmont) with the New York State Public Service Commission in Albany, New York. Interested parties may review the application which is on file in the Town of Claverack clerk's office and may be accessed during normal business hours.

Individuals wishing to file comments regarding the application may do so with the New York State Public Service Commission, at Three Empire State Plaza, Albany, New York 12223. Copies of comments should be sent to the Town of Claverack and Mid-Hudson Cablevision, Attention Mr. Stuart W. Smith, P.O. Box 399, Catskill, New York 12414.