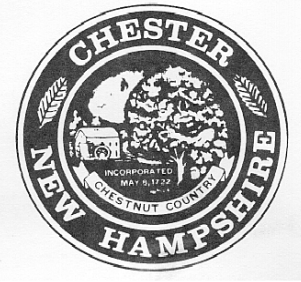


The Public Access Community Television Committee (PACT) exists to ensure that the Franchise Agreement between the Town of Chester and Adelphia Communications, effective April 1, 2003 through March 30, 2013, operates without incident, and to manage the funds received from Adelphia as a result of this agreement. Since April 1, 2003, the Town continues to receive franchise fees of subscribers' cable bills in the amount of 1% quarterly. This money is reserved in the PACT Fund, and is delegated in thirds, for the maintenance of Public and Government (CTV-21), Education (CETV-22).



**PUBLIC ACCESS
COMMUNITY
TELEVISION
COMMITTEE
(PACT)**

Most recently, the PACT committee has been involved with a Cable Television Transfer. Comcast has placed a bid to buy the bankrupt Adelphia, and in anticipation of the courts ruling in favor of this transaction, Comcast submitted their request for approval from the Town of Chester, as well as many other communities in New Hampshire. As we did in the past when Adelphia bought Harron Communications, the Town of Chester joined with 8 other communities to form the Southern NH Cable Consortium. This allowed us a little more "clout" with Comcast, and also we shared the legal expenses of Attorney Peter Epstein of Boston. Mr. Epstein represented Chester with Adelphia during our Franchise negotiations, and he is the counsel of record for communities throughout New Hampshire and Massachusetts when it comes to Cable Television negotiations. The Transfer was approved on October 31, 2005. All this means to subscribers is that if/when the bankruptcy court rules, Comcast could become our single cable operator in Chester.

You will probably ask why only a single cable operator? For another operator to seek Chester for a franchise, they would have to be willing to totally rewire the town, for all the cable and associated equipment in town currently, is owned by Adelphia. That is a huge expense, and cable operators are reluctant to spend such money, if they could not command the larger share. You will have heard that Verizon is breaking into the "cable" market. In communities where Verizon is the telephone operator, which would be most of NH, but not Chester, Verizon is already rebuilding their system to accommodate cable television as well as telephone.

The PACT committee meets as needed review the needs presented to them by CTV-21, and CETV-22. CTV-21 now covers both the Public and Government side of local cable access, and continues to provide live cablecast of all meetings of Town government, and programming produced locally by CTV-21, as well as other programs received from outside sources. CTV-21 has installed a "plug and play" system between the Multi-Purpose Room, and our studio, to make it easier to cablecast and/or record live events from the MPR. This makes it much easier to bring to you the School District Meeting, and Town meeting, and hopefully, many more live events from the MPR. It is a goal now, to set up our third Channel 20 (according to Franchise Agreement) to be used in the future for Government programming only. We endeavor to accomplish this before Comcast takes over.

In the past year, you have seen CETV-22, the Education Channel grow to offer you sports from Chester Academy, and other programming, as well as the monthly School Board Meeting. The Academy has an active Audio/Video Club, and volunteer program coordinator who keep the line up active.

The Town of Chester has had an excellent partnership with Adelphia Communications, and we hope to have the same relationship with Comcast. We continue to ensure that Public Access Community Television in Chester can be maintained without any impact to your tax dollars.

The PACT Committee

Hilary Hall - Chair, Bob Grimm - Co-Chair, Richard & Marge Godfrey, Lenny Stein, Barbara King