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Rell seeks regulators' reversal on U-verse Governor backs AT&T in franchising fight; union works phones as court hearing looms

As a Superior Court judge in Hartford prepares to convene a hearing Friday in the battle over AT&T's U-verse, the television service got a strong showing of support Tuesday.

Gov. M. Jodi Rell issued a statement urging state regulators to reverse their decision earlier this month to force AT&T to seek a cable TV franchise for the service. Meanwhile, the chairman of the legislature's Energy and Technology Committee announced plans to hold a news conference today in support of U-verse and to explain the intent of the state's new video franchising law, which took effect Oct. 1.

U-verse also got a boost from AT&T's unionized workers and their families, who made dozens of calls to state officials to protest the state Department of Public Utility Control's decision to order the company to halt all marketing and construction related to U-verse.

Even Attorney General Richard Blumenthal, who has led the fight to have AT&T apply for a cable TV franchise, issued a letter supporting AT&T's bid to compete with cable TV, though he didn't give an inch in the franchising fight. The letter, sent to AT&T executives, said Blumenthal will file a motion with the DPUC today asking it to allow AT&T to continue marketing and building its U-verse service while the court cases continue.

"Very simply — as we have said repeatedly for more than two years — Connecticut consumers need the competition that U-verse would provide," Blumenthal states in the letter.

That sentiment is shared by the governor, who said "Connecticut consumers need and deserve the benefits that long-awaited and much-needed competition in the cable TV market will bring."

The governor also said the DPUC's decision, which was made after a federal judge ruled that U-verse is the same as cable television, threatens to have a significant negative economic impact on the state.

"Indeed, some have estimated that the decision could cost Connecticut nearly 3,700 positions and the loss of almost \$400 million in economic activity over the next five years," Rell said.

The potential loss of jobs spurred the union's telephone campaign, according to William Henderson, president of Local 1298 of the Communications Workers of America, which represents some 5,400 workers in the state.

"Our position is, we have to let the public know exactly how unfair and unreasonable the DPUC position is," Henderson said.

Beryl Lyons, a spokeswoman for the DPUC, said phones in the department's consumer services unit were "ringing off the hook" Tuesday. Most of the calls, she said, were complaints about the U-verse decision from union workers. Both the governor's and attorney general's offices also received calls.

Renee Arthur of Waterbury, whose husband David installs U-verse, said she called the DPUC, the governor's office and the news media to complain. With five children ranging in age from 17 to 4 at home, Arthur said the thought of her husband losing his job is frightening.

"Right now AT&T said there are jobs in other states, but moving isn't an option for us," she said.

AT&T has said if it is forced to seek a cable TV franchise for Uverse — a form of Internet Protocol Television that provides video, data and voice services over fiber-optic cable — it will pull the plug on the service. It began offering it in December 2006, and now has more than 7,000 subscribers in more than 40 communities, including Cheshire, Naugatuck and Waterbury.

AT&T applied for a video franchise under the state's new law, but the DPUC rejected that application after the federal judge issued her ruling that Uverse is the same as cable TV.

The DPUC gave AT&T until Dec. 31 to apply for a cable franchise. The company appealed the ruling in Hartford Superior Court, where a hearing is scheduled Friday morning.

Seth Bloom, a spokesman for AT&T, said the company is not interested in a stay of the DPUC's ruling, which Blumenthal will request today.

"We decided it was not in the best interest of consumers," Bloom said. "We would be in the position of having to explain to new customers that we don't know how long their service would last" if AT&T loses its court fight.

While Blumenthal says he supports competition, he remained adamant Tuesday that AT&T must seek a cable franchise.

"Whatever the outcome in the courts, we must find common ground to achieve competition," he said.