

No harm to cable service expected Bankruptcy filing by provider might cause other problems, though

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In the wake of Adelphia Communications Corp.'s bankruptcy filing, Carroll officials said yesterday that they expect no interruption in service, but they are worried that the cable giant won't be able to pay its franchise fees, a lapse that could deprive the county and its municipalities of hundreds of thousands of dollars.

County officials also said the bankruptcy filing late Tuesday could cloud the future of a planned new home for Channel 19, the county's public-access television station.

In a statement released Tuesday evening, Adelphia promised that neither its customers nor municipalities would suffer because of the Chapter 11 bankruptcy filing.

"Adelphia will continue to conduct its business, supplying cable entertainment and other services to its customers in more than 3,500 communities across the nation," the statement read. "The company expects that all post-petition obligations to local franchise authorities, vendors, employees and others will be satisfied in the normal course of business."

Adelphia provides television service to about 30,000 Carroll customers.

Carroll is the only county in the Baltimore area served by Coudersport, Pa.-based Adelphia, the nation's sixth-largest cable provider.

The relationship between Adelphia and Carroll's cable regulatory commission has been rocky. Carroll officials have accused the company of poor customer service for much of the time since Adelphia took over the franchise in 2000. Though relations have smoothed in recent months, Adelphia's overall financial standing has suffered numerous setbacks.

In March, the company revealed billions of dollars of off-the-books borrowing by the family of founder John J. Rigas, news that sent Adelphia's stock price plummeting from more than \$20 a share to less than \$1. Last week, the company missed \$96 million in payments on bond interest and preferred stock dividends.

Carroll officials have heard for months that the county franchise might be part of a huge sale of assets by the company. But county Cable Coordinator Carol Shawver said yesterday that any sale probably will be delayed until Adelphia works through its bankruptcy negotiations.

"Entering into these proceedings will enable us to fully evaluate our enterprise without the immediate pressure to sell valuable assets that may well benefit the company in the future," Adelphia said in its statement Tuesday.

Shawver said the county cable commission can do little more than wait. Adelphia's next franchise payment is due in about a week, and if that payment is late or is not made, Shawver said, she will take that as a bad omen.

The county and its municipalities receive 5 percent of customers' monthly payments to Adelphia, providing revenue for their general operating budgets. The cable commission's \$375,324 annual budget is funded from those franchise fees.

If that budget is compromised, plans for a community media center on Washington Road south of Westminster will be delayed. The county's public-access advocates had hoped that construction on the \$1.7 million project would begin this year. The Channel 19 studio is in the basement of a building at Carroll Community College, and supporters have sought a new building for years.

Those advocates thought they had a \$1 million loan from the county commissioners lined up, but the commissioners said last week that they would be uncomfortable extending the loan given Adelphia's problems.

Town officials also have expressed reservations about the project in recent weeks, saying they don't want to get stuck paying for the building if Adelphia franchise fees stop.

"I understand the commissioners' position, and I think they're doing the right thing," said Linda Mielke, chairwoman of the media center's board of directors. "If we can't get the loan paid back because we don't have the revenue stream from Adelphia, then we have to put the brakes on."

The project cannot proceed without the loan, Mielke said. Her group is pursuing negotiations with Adelphia to find a suitable interim home, she said, but she's waiting to see what impact the bankruptcy has.

Shawver repeated yesterday that most customers probably won't feel the effects of the bankruptcy. She has been getting about 20 calls a week from people worried that Adelphia's problems might cause them to lose television service.

"I just explain to them that the filing doesn't have much to do with the service they're receiving," Shawver said. "They shouldn't see any difference at all, really."

Shawver invited customers to the cable commission meeting at 6 p.m. today in the hearing room at the County Office Building in Westminster. The bankruptcy filing and the options for a public-access building will be discussed, she said.