

Few protest proposed cable rate hike

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WINSTED - Four people appeared before the state Department of Public Utility Control hearing Tuesday to protest a proposed 15 percent rate increase for subscribers to Pegasus Cablevision.

New Hartford resident Barbara Cole complained about the service and quality of Pegasus. Less than five years ago her cable bill was about \$19, she said. Now, it is nearly \$30 a month, she said.

"Until we get a Class A cable company out of Winsted, I'm opposed to any increase," she said. Winsted resident Sarah Westervelt said she will cancel

cable if the DPUC agrees to the 15 percent increase, which she described as an excessive proposal by Pegasus. She urged the DPUC to deny the request.

Pegasus is looking for a 15 percent increase for its basic service, which must be approved by the DPUC. Subscribers pay \$9.60 a month. If the DPUC agrees, that rate would increase by \$1.44, to \$11.04. Under the timetable set up by the DPUC, action on the proposal may take place in late October.

Richard Nalette, chairman of the advisory council for Pegasus, questioned the \$100,000 worth of new construction conducted by the company. He wondered if the

company was spending more money to expand cable service to justify a rate increase.

Winsted community lawyer Charlene LaVoie urged the DPUC in the future to require utilities to draft a synopsis of why a rate increase is warranted and submit it to the DPUC. After the DPUC reviews it, the information should be included in customers bills, she said.

LaVoie also questioned how much in legal fees has been accrued by Pegasus for the rate increase, and the methodology used to calculate an increase. Rather than relying on the benchmark increase allowed by cable systems by the Federal

Communications Commission, Pegasus is asking for a cost-of-service increase, which allows for a larger rate hike.

LaVoie also told the DPUC that since Pegasus bought out Amrac there has been a change in attitude and attempt to undermine the public access service.

"I hope that the DPUC is looking, as usual . . . at the status and health of access when they're considering all these issues," LaVoie said.

In part, the company is looking for the increase because it is a small rural system, and costs are higher when the density of households served is small, representatives said. The company

also says its operating costs and programming costs have increased over the last two years since its last increase. Legal fees alone for the proposed rate increase are about \$72,000, officials said.

"Had we been able to fit into the benchmark methodology, we would have done so," Robert N. Verdecchio of Pegasus said.

Pegasus serves about 7,500 customers in Barkhamsted, Colebrook, Harwinton, New Hartford, West Hartland and Winsted. It is the second smallest cable system in the state.

Cable officials denied they were trying to diminish the public access station.