



**WHAT AUTHORITY DOES THE
CITY HAVE TO REGULATE
CABLE/INTERNET FRANCHISES
WITHIN THE CITY OF BUDA?**

We receive a number of questions regarding the City's authority when it comes to regulating cable/internet franchises within the City of Buda. The City is often asked why other cable/internet franchises do not provide service in Buda. We wanted to clear up any confusion over this issue.

DOES THE CITY OF BUDA HAVE AN EXCLUSIVE CABLE FRANCHISE AGREEMENT WITH SPECTRUM?

No. Service providers looking to serve a particular area can file in Texas for a state issued cable franchise agreement through the Public Utility Commission (PUC). The PUC of Texas has regulatory authority over cable franchises within the state of Texas. The PUC does NOT grant exclusive state issued cable franchise agreements. Therefore, it is up to an individual cable/internet franchise as to whether or not they want to serve the area.

WHY IS SPECTRUM THE ONLY OPTION FOR CABLE/INTERNET SERVICE IN BUDA?

Companies will analyze their potential rate of return versus capital investment when evaluating a new market. The company's anticipated market penetration versus their competitors also influences their decision to serve an area. The bottom line is cost. The cost of installing infrastructure, especially fiber, is high. Texas laws prevent a municipality from providing municipal broadband and from partnering with telecom providers to incentivize and offset this large capital investment.

CAN THE CITY OF BUDA PROVIDE BROADBAND SERVICE?

No. Chapter 5, Subchapter E of the Texas Utilities Code prohibits a municipality from providing telecommunications services.

We hope this information helps clarify our authority with regard to cable/internet franchise service within the City of Buda. For additional questions, you can contact our Utilities Department at 512-295-8845.