

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

OFFICE OF CABLE TELEVISION & TELECOMMUNICATIONS (OCTV&T)

I/M/O THE APPLICATION OF CABLEVISION OF OAKLAND, LLC FOR THE RENEWAL OF ITS SYSTEM-WIDE CABLE TELEVISION FRANCHISE

BPU DOCKET NO. CE15111317

FRANCHISE RENEWAL/ ASCERTAINMENT REPORT

DECEMBER 20, 2023

Background/Procedural History

In August 2006, amendments to the New Jersey Cable Act, N.J.S.A. 48:5A-1 et seq. ("State Act") were enacted which were intended to accelerate cable competition and consumer choice. This legislation provided cable television operators a choice between acquiring traditional franchises town by town, as had been the practice in New Jersey since the 1970's, or applying directly to the Board of Public Utilities ("Board") for a system-wide franchise. An additional relevant section of this law was the ability for incumbent cable television operators to automatically convert their existing cable television franchises to a system-wide cable television franchise, by notice to the Board and the affected municipality. (N.J.S.A. 48:5A-25.1(a))

Cablevision of Oakland, LLC ("Cablevision") was the holder of 51 traditional municipal consent-based cable television franchises in Northern New Jersey. On March 20, 2009, Cablevision notified the Township of Cedar Grove ("Cedar Grove") and the Board that it would convert the Cedar Grove municipal-consent based franchise to a system-wide cable television franchise, pursuant to N.J.S.A. 48:5A-25.1(a). State law and Board rules require a cable television company operating under a municipal consent-based franchise converting to a system-wide cable television franchise to abide by the provisions of N.J.S.A. 48:5A-28(h) through (n). By virtue of conversion, Cablevision was relieved of any franchise obligations included in the municipal consent adopted by Cedar Grove. The Board subsequently issued an order memorializing the conversion of the Cedar Grove franchise and issuing a system-wide franchise for a term of seven years to expire on March 20, 2016. Cablevision converted an additional 37 municipalities to its system-wide cable television franchise during the term.

Pursuant to the amended State Act (N.J.S.A. 48:5A-19(b)) and the Board's Regulations of Cable Television (N.J.A.C. 14:18-14.13), on March 18, 2016, the Board issued a Renewal System-wide Cable Television Franchise to Cablevision, for a term of seven years to expire on March 20, 2023.² Cablevision converted one additional municipality to the franchise during this term, resulting in a total of 39 municipalities being served under the system-wide franchise as of the date of this report.³ Cablevision maintains 12 municipalities under a municipal

¹ Order, I/M/O Cablevision of Oakland, LLC for the Conversion to a System-Wide Franchise in the Township of Cedar Grove, Docket No. CE09030231 (July 1, 2009).

² Order, I/M/O Application of Cablevision of Oakland, LLC for the Renewal of its System-Wide Cable Television Franchise, Docket No. CE15111317 (March 18, 2016).

³ See Attachment I for list of Cablevision of Oakland System-wide Cable Television Franchise municipalities.

consent- based franchise.

Franchise renewal in New Jersey is governed by the federal Communications Policy Act of 1934, as amended ("Federal Act"), the amended State Act, and the Board's rules in the New Jersey Administrative Code ("N.J.A.C."). The Federal Act (47 U.S.C. §546) sets forth the *ascertainment* process required to be used by franchising authorities in the renewal process. Ascertainment is the term utilized to explain the fact-finding process used by franchising authorities to examine the past performance of the cable operator and identify the future cable-related needs of the community. The Board's review of Cablevision's performance under its franchise as stated in both the State Act, and the Board's rules at N.J.A.C. 14:18-14.17(b), is specifically limited to:

- 1. Any Statewide needs and requirements as may be established by the State Act:
- The extent to which Cablevision has met its commitments pursuant to N.J.S.A.
 48:5A-28 and the rules and regulations of the Office of Cable Television, in accordance with the State Act; and
- 3. Performance and substantial compliance with material terms and conditions of Cablevision's existing system-wide franchise based on notice and opportunity to cure under applicable Federal law as placed on the record.

The Board's rules at N.J.A.C. 14:18-14.17(c) require that, at least seven months prior to the expiration of the franchise, the Office of Cable Television & Telecommunications ("OCTV&T") must issue an ascertainment report to the Board, which must be made available for public inspection.

On August 26, 2020, Cablevision notified the Board of its intention to renew its system-wide cable television franchise. On November 2, 2023, the OCTV&T notified Cablevision that the OCTV&T would review Cablevision's performance under its system-wide franchise pursuant to Federal and state guidelines, as outlined above. Concurrently, the OCTV&T invited Cablevision to file comments on its performance under its system-wide cable television franchise and to assess how it will meet the future needs of the communities listed in its franchise application. Cablevision filed its Initial Comments with the OCTV&T on December 1,

2023, which were subsequently revised on December 8, 2023.⁴ In its comments, Cablevision asserts that it has fulfilled its statutory obligations under the system-wide cable television franchise, and that current and future cable related needs of the municipalities served by Cablevision are substantially fulfilled by the State Act's statutory obligations, including higher franchise fees, PEG programming, equipment and training and free municipal connections.

⁴ See Attachment II.

PERFORMANCE CRITERIA

1. Any Statewide needs and requirements as may be established by the State Act;

The State Act limits what terms can be imposed on a cable television company operating under a system-wide franchise, pursuant to N.J.S.A. 48:5A-28(h)-(n). With respect to these requirements, Cablevision reports:

The obligations imposed upon system-wide franchisees by the New Jersey Cable Television Act are designed to delineate the cable-related needs of the communities included in such a franchise, and ensure a uniform cable service experience across those communities. By fulfilling its statutory obligations as a system-wide franchise holder under the New Jersey Cable Television Act, Cablevision of Oakland currently meets the existing cable-related needs of the communities it serves. Further, by committing to continue to meet all of these obligations for the duration of any renewed franchise in the future, as Cablevision of Oakland will do when it submits its renewal application, the Company will adequately address the future cable-related needs and interests of the system-wide franchise communities.

2. The extent to which Cablevision has met its commitments pursuant to N.J.S.A. 48:5A-28 and the rules and regulations of the Office of Cable Television, in accordance with the State Act;

Cablevision's commitments under its system-wide cable television franchise are delineated in the State Act under N.J.S.A. 48:5A-28:

48:5A-28. Contents of application, commitments by system-wide franchise

Each application for a municipal consent or system-wide franchise shall contain:

. . .

h. (1) With regard only to applications for a system-wide franchise, a commitment as to those municipalities that are served by a CATV company at the time of the application, to match or surpass any line extension policy operative at the time the system-wide franchise is granted and placed into effect prior to the enactment of P.L.2006, c.83 (C.48:5A-25.1 et al.) by a local franchise or certificate of approval, for the duration of the system-wide franchise. In any event, the CATV company shall extend its plant along public rights-of-way to all residences and businesses within 150 aerial feet of the CATV company's existing plant at no cost beyond the

normal installation rate, and to all residences and businesses within 100 underground feet of the CATV company's plant at no cost beyond the normal installation rate, and shall set a minimum house per mile density of not less than 35 homes per square mile.

- (2) This commitment shall be in addition to any and all board orders and rules that impact upon the extension of plant, except that such commitment shall supersede the board's regulations adopted as N.J.A.C. 14:3-8.1 et seq., which shall not apply to CATV companies, including telecommunications service providers that have obtained a system- wide franchise.
- i. With regard only to applications for a system-wide franchise, a commitment to provide to each municipality that is served by a CATV company, with two public, educational and governmental access channels. In the event that two or more access channels are requested by a municipality, the municipality shall demonstrate that its cable-related needs require the provision of such additional access channels. Any and all CATV companies operating in a municipality shall provide interconnection to all other CATV companies on reasonable terms and conditions, and the board shall adopt regulations for procedures by which disputes between such CATV companies shall be determined and expeditiously resolved. Each municipality or its nonprofit designee shall assume responsibility for the management, operations and programming of the public, educational and governmental access channels.
- j. With regard only to applications for a system-wide franchise, a commitment to install and retain or provide, without charge, one service outlet activated for basic service to any and all fire stations, public schools, police stations, public libraries, and other such buildings used for municipal purposes.
- k. With regard only to applications for a system-wide franchise, a commitment to provide free Internet service, without charge, through one service outlet activated for basic service to any and all fire stations, public schools, police stations, public libraries, and other such buildings used for municipal purposes.
- l. With regard only to applications for a system-wide franchise, a commitment to provide equipment and training for access users, without charge, on a schedule to be agreed upon between the municipality and the CATV company.
- m. With regard only to applications for a system-wide franchise, a commitment to provide a return feed from any one location in the municipality, without charge, to the CATV company's headend or other location of interconnection to the cable television system for public, educational or governmental use, which return feed, at a minimum, provides the ability for the municipality to cablecast live or taped access programming, in real time, as may be applicable, to the CATV company's customers in the municipality. No CATV company is responsible for providing a return access feed unless a municipality requests such a feed in writing. A CATV company that has interconnected with another CATV company may require the second CATV

company to pay for half of the CATV company's absorbed costs for extension.

n. With regard only to applications for a system-wide franchise, a commitment to meet any consumer protection requirements applicable, pursuant to board regulations, to cable television companies operating under certificates of approval.

Cablevision's performance

(h) - Line Extension Policy

Under the system-wide cable television franchise structure, Cablevision is required to meet or exceed the line extension policy ("LEP") commitments that it had offered as the municipal consent-based franchise holder in each municipality served. An LEP is a cost sharing formula that determines the dollar amount to be shared between a cable operator and a potential customer for construction along public right-of-way outside of the area where the company has agreed to provide service at no cost beyond installation charges. Cablevision does not use a residential LEP in its Oakland system; instead providing cable television service to all residents at no cost beyond standard and non-standard installation rates. However, Cablevision does employ a commercial LEP which is applicable to businesses. Cablevision continues these policies under its system-wide cable television franchise.

Cablevision reports: Through its municipal consent franchises, Cablevision of Oakland has previously constructed a system subject to the minimal line extension obligations prescribed by the Board. Pursuant to N.J.S.A. 48:5A-28(h), by virtue of converting its local franchises to the system-wide franchise, Cablevision of Oakland is in compliance with the required line extension obligations.

Conclusion: The OCTV&T received 19 complaints from residents regarding extension of service in the Oakland system, however all have been closed. Therefore, the OCTV&T finds that Cablevision is performing in accordance with its system-wide cable television franchise.

- (i)/(l) Public Educational and Governmental (PEG) access channels and equipment and training;
- (j)/(k) free basic cable and internet service to public schools, libraries and municipal bldgs.; (m) return feeds

The State Act requires that upon request, Cablevision provide to the municipalities: up to two PEG access channels with equipment and training, free basic cable and internet connections to certain municipal locations, and one free return line.

Cablevision reports: Pursuant to N.J.S.A. 48:5A-28(i) Cablevision of Oakland offers two public, educational and governmental ("PEG") channels within each of the municipalities in the system-wide franchise area, based on the cable related needs of each municipality (see Exhibit A for number of PEG channels currently used by each municipality). Cablevision of Oakland makes available a studio, training, and equipment to interested PEG access users resident within the franchise area, subject to its PEG access user policies, pursuant to N.J.S.A. 48:5A-28 (l).

In addition, Cablevision of Oakland provides free basic video service and free Internet service within each of the communities in the system-wide franchise area. Where requested, Cablevision of Oakland has fulfilled its obligation under N.J.S.A. 48:5A-28(m) to provide return feeds to municipalities for the purpose of interconnecting to the Company's system to distribute PEG programming.

Cablevision of Oakland provides other valuable programming and services to the community that exceeds statutory requirements for its system-wide franchise. The Company's award winning News 12 channel focuses on news for residents both in the system and throughout the state. It is the only cable news channel dedicated solely to New Jersey news.

Discussion: Cablevision, as a municipal consent-based cable television franchise holder was already providing two PEG access channels to each municipality, as well as free services to schools, libraries and municipal buildings, prior to the conversion to a system-wide cable television franchise. Cablevision has stated it will provide return lines where they have not yet been provided under its municipal consent-based cable television franchises.

Conclusion: Under N.J.A.C. 14:18-15.4(b) and 15.5(b), if a municipality and a cable television company operating under a system-wide cable television franchise cannot agree upon the terms and conditions specified above, either can request intervention by the OCTV&T. The OCTV&T has not received any complaints or requests for intervention regarding unmet obligations under these provisions. The OCTV&T Staff has referred a few municipalities to the Company, which

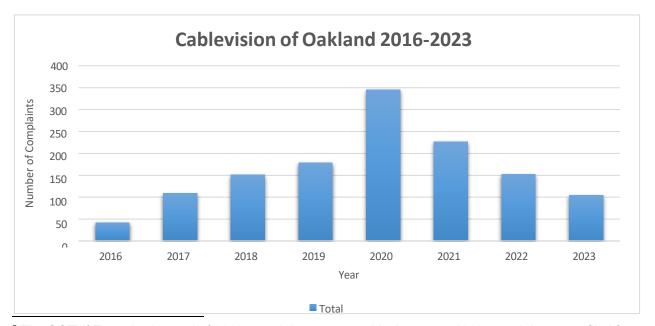
then addressed the municipality's request, which meets the requirements of providing appropriate notice and allowing an opportunity to cure; however, the OCTV&T does not have any active requests at this time. Therefore, the OCTV&T finds that Cablevision is in compliance with its system-wide cable television franchise.

(n) – Consumer protection requirements

Cablevision is required under the State Act to meet any consumer protection requirements under the Board's regulations.

Cablevision reports: Cablevision of Oakland has substantially complied with all consumer protection obligations under applicable law, as required by N.J.S.A. 48:5A-28(n). Among these, Cablevision of Oakland abides by the minimum customer service and consumer protection standards in the OCTV&T regulations. Further, Cablevision of Oakland provides required "complaint officer" notifications, and maintains a required local business office, which is currently located at 40 Potash Road, Oakland, NJ 07436.

Discussion: Pursuant to N.J.S.A. 48:5A-26(c), for all converted municipalities under Cablevision's system-wide cable television franchise, the OCTV&T is the designated complaint officer. In the prior report OCTV&T received 265 written complaints for the Cablevision of Oakland system, which was approximately 43 complaints per year. The OCTV&T received 1310 written complaints for the Cablevision of Oakland system in the seven years since the renewal was issued from customers in these 39 municipalities.⁵



⁵ The OCTV&T received a total of 2369 complaints system-wide, however, 1310 complaints were filed for the System-wide municipalities.

Upon review of the complaints filed since 2016, the data indicates successive increases of complaints, with a spike in 2020 and 2021, which may be attributable to the issues caused by the pandemic.

Cablevision's performance was impacted by several matters addressed by the Board during the franchise term:

- In re the Verified Joint Petition of Altice N.V. and Cablevision Systems Corporation and Cablevision Cable Entities for Approval to Transfer Control of Cablevision Cable Entities, Docket No. CM15111255, Order dated May 25, 2016. The Board issued its Order approving the sale of Cablevision to Altice, which required Altice to abide by all prior Cablevision franchise commitments.
- In re the Alleged Failure of Altice USA, Inc. to Comply With Certain Provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq., and the New Jersey Administrative Code, N.J.A.C. 14:18-1.1 et seq., Docket No. CS18121288, Order dated December 18, 2018. The Board issued an Order to Show Cause against Altice regarding its failure to pro-rate customer bills upon termination of service. Altice's appeal of the matter was unsuccessful, with the NJ Supreme Court finding in the Board's favor and ordering Altice to reverse its policy and provide refunds to affected customers.
- In re Requests for an Investigation into the Operations of Altice USA in New Jersey,
 Docket No. CX21020139, Order dated February 17, 2021. The Board issued an Order initiating
 an investigation into the adequacy of service provided by Altice following the receipt of received
 numerous complaints and inquiries from at least ten (10) municipalities and several state
 legislators concerning various issues their residents and constituents. Following numerous
 discussions, a Stipulation of Settlement was reached between the municipalities, the Division of
 Rate Counsel and Board Staff, wherein Altice committed to capital investments totaling \$11
 million to implement improvements to the infrastructure and customer service provided in New
 Jersey. The Stipulation is expected to be submitted for Board approval during the 1st quarter of
 2024.

Conclusion: Cablevision experienced greater than normally expected increases in its complaint levels during the term of the franchise due to the change in its pro-ration policy and deficiencies in its customer service platforms during the COVID-19 pandemic. Following the NJ Supreme Court decision issued in April 2023, Cablevision returned to its former policy and is

currently providing pro-rated billing to customers upon termination of service prior to the end of the billing cycle, in compliance of the Board's rules.

With respect to the pandemic, the OCTV&T acknowledges that all companies experienced difficulties during 2020 and 2021, due to the COVID 19 shut-downs. It is noted that the complaints have been trending downward since the peak in 2020. Additionally, Cablevision remedied the deficiencies discovered in its customer service platforms during the Board's investigation into Cablevision's service quality initiated in 2021. The investigation resulted in a Stipulation of Settlement between the parties, which included Cablevision's commitment to a minimum of \$11 million in capital expenditures to the infrastructure serving its New Jersey customers.

Based on the resolution of the matters discussed above, the OCTV&T finds Cablevision is currently in compliance with the consumer protection requirements under the Board's rules.

3. Performance and substantial compliance with material terms and conditions of Cablevision's existing system-wide franchise based on notice and opportunity to cure under applicable Federal law as placed on the record.

Pursuant to the Federal Act, if the franchising authority finds that there are any substantial violations of the current franchise, it must provide the cable operator "notice and opportunity to cure" (47 <u>U.S.C.</u> § 546(d)).

Cablevision reports: As required by law, Cablevision of Oakland has maintained during the term of the franchise all records of complaints received for a period of at least 3 years beyond the close of the calendar year of the report, timely compiled and filed with the Office of Cable Television the annual customer complaint reports required by N.J.S.A. 48:5A-26.1.

. . .

Cablevision of Oakland has materially complied with all of its existing franchise obligations, and the Company's performance record since its conversion to a system-wide franchise supports renewal of the franchise based on statutory requirements.

Discussion:

Cablevision's performance was impacted by several matters addressed by the Board during the

franchise term:

- In re the Verified Joint Petition of Altice N.V. and Cablevision Systems Corporation and Cablevision Cable Entities for Approval to Transfer Control of Cablevision Cable Entities, Docket No. CM15111255, Order dated May 25, 2016. The Board issued its Order approving the sale of Cablevision to Altice, which required Altice to abide by all prior Cablevision franchise commitments.
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 of received numerous complaints and inquiries from at least ten (10) municipalities and several
 state legislators concerning various issues their residents and constituents. Following
 numerous discussions, a Stipulation of Settlement has been reached between the
 municipalities, Rate Counsel and Staff, wherein Altice committed to capital investments
 totaling \$11 million to implement improvements to the infrastructure and customer service
 provided in New Jersey. The Stipulation is expected to be submitted for Board Approval during
 the 1st quarter of 2024.

Conclusion: Based on the resolution of the matters discussed above, the OCTV&T finds Cablevision is currently in compliance with the material terms and conditions of its system-wide cable television franchise.

Additional information provided by Cablevision

Cablevision of Oakland herein provides additional information for the Board's benefit, to give perspective on the wide range of services Cablevision of Oakland provides to subscribers in the franchise area.

Over the term of the existing system-wide franchise, the demands for connectivity by our New Jersey customers have increased significantly. Our New Jersey customers want access to data from anywhere, at any time and on a multitude of devices. Cablevision Systems Corporation has met that need by building an advanced, fiber-rich network and coupled it with the most innovative entertainment, information and communications services available in the world. Cablevision Systems Corporation serves over 1 million residential and small business customers in New Jersey using a hybrid fiber and coaxial cable system. Cablevision of Oakland's advanced and integrated consumer communications services include iO Interactive Optimum digital television, Optimum Online high speed Internet access, featuring free Optimum WiFi, and Optimum Voice digital voice offerings.

Small businesses are powered by the Company's world-class telecommunications network with our Optimum® for business digital services suite, which features our Optimum family of products. The Company also provides broadband, voice and video service to large, enterprise commercial customers through Lightpath, an award-winning competitive local exchange carrier with customers throughout New Jersey.

Cablevision has offered the following information regarding its products and services:

Some highlights of our Optimum products and services include:

- Broadband Service Optimum Internet customers can purchase 5 different levels of service including Optimum Ultra 101, a 101 mbps broadband Internet service offering, up to 1 Gig.
- iPad App the entire suite of more than 360 standard and highdefinition channels live on the iPad
- TV to Go More than 100 networks available to customers from mobile devices outside the home.

 Multi-Room DVR- The very first remote storage DVR that allows up to 15 simultaneous recordings (or 75 hours of HD recordings) while watching any channel and play back from multiple rooms within the home. Open-Connect – A unique partnership that has allowed the Company to deliver one of the best Netflix viewing experiences in the industry.

While not subject to the Board's/OCTV&T's review under Cablevision's system-wide cable television franchise, such products and services help to demonstrate the company's desire to continue to meet its customers' needs.

Next Steps

Pursuant to the Board's rules, within 90 days of the filing of the OCTV&T Ascertainment Report, Cablevision is required to file its franchise renewal application. Public hearings will be scheduled following the filing of the Cablevision's application to allow public comment.

Attachment I

Cablevision of Oakland, LLC

System-wide Cable Television Franchise Municipalities

Attachment I

Cablevision of Oakland System-wide Cable Television Franchise Municipalities

			Date
#	Municipality	County	Converted
1	Allendale Borough	Bergen	07/19/10
2	Alpine Borough	Bergen	10/25/13
3	Bogota Borough	Bergen	12/23/09
4	Cedar Grove Township	Essex	03/20/09
5	Clifton City	Passaic	11/19/2010
6	Elmwood Park Borough	Bergen	07/19/10
7	Franklin Lakes Borough	Bergen	09/17/10
8	Garfield City	Bergen	05/11/10
9	Glen Rock Borough	Bergen	07/19/10
10	Hackensack City	Bergen	02/28/11
11	Haledon Borough	Passaic	09/17/10
12	Hasbrouck Heights Borough	Bergen	07/19/10
13	Hawthorne Borough	Passaic	09/17/10
14	Ho-Ho-Kus Borough	Bergen	11/19/2010
15	Little Falls Township	Passaic	11/19/2010
16	Lodi Borough	Bergen	11/19/2010
17	Maywood Borough	Bergen	11/19/2010
18	Midland Park Borough	Bergen	07/19/10
19	North Caldwell Borough	Essex	11/19/2010
20	North Haledon Borough	Passaic	11/19/2010
21	Nutley Township	Essex	05/11/10
22	Oakland Borough	Bergen	07/19/10
23	Park Ridge Borough	Bergen	09/17/10
24	Passaic City	Passaic	11/19/2010
25	Prospect Park Borough	Passaic	09/17/10
26	Ramsey Borough	Bergen	12/23/09
27	Ridgewood Village	Bergen	05/11/10
28	River Edge Borough	Bergen	05/11/10
29	Rochelle Park Township	Bergen	05/11/10
30	Saddle Brook Township	Bergen	09/17/10
31	South Hackensack Township	Bergen	07/19/10
32	Teaneck Township	Bergen	10/6/17
33	Totowa Borough	Passaic	05/11/10
34	Upper Saddle River Borough	Bergen	09/17/10
35	Waldwick Borough	Bergen	05/11/10
36	Washington Township	Bergen	07/19/10
37	Westwood Borough	Bergen	05/11/10
38	Wood-Ridge Borough	Bergen	11/19/2010
39	Wyckoff Township	Bergen	11/19/2010

Cablevision of Oakland, LLC

Initial Comments in Support of the Renewal of its System-wide Franchise

December 8, 2023

INITIAL COMMENTS OF CABLEVISION OF OAKLAND, LLC IN SUPPORT OF THE RENEWAL OF ITS SYSTEM-WIDE FRANCHISE

I. INTRODUCTION

Cablevision of Oakland, LLC ("Cablevision," or the "Company") submits the following comments in response to the November 2, 2023, request of the Office of Cable Television ("OCTV"). In that request, OCTV seeks comment on Cablevision's performance under its existing system-wide franchise, and on how the Company intends to meet the future needs of the system's communities should the Board of Public Utilities ("Board") renew the franchise.

As discussed in detail below, Cablevision is committed to ensuring that New Jersey residents and small businesses in the franchised areas have access to access to superior cable television service and non-cable communications services delivered over an upgraded network and supported by responsive operations and customer service resources. Moreover, the Company has and will continue to fulfill its obligations within the statutory and regulatory framework of our system-wide authorization.

II. PROCEDURAL BACKGROUND

On March 20, 2009, Cablevision notified the Board and the Township of Cedar Grove of its intention to convert its municipal consent-based franchise in that Township to a system-wide franchise.^{1/} On July 1, 2009, the Board issued an Order acknowledging Cablevision's

This conversion was permitted by one of the 2006 amendments to the New Jersey Cable Television Act. *See* N.J.S.A. 48:5A-25.1 ("A cable television company with a municipal franchise or franchises issued prior to the effective date of [the 2006 State Act amendment] may, if it wishes, automatically convert any or all such franchise or franchises into a system-wide franchise upon notice to the board and the affected municipality")

conversion of the Cedar Grove franchise to a system-wide franchise, and establishing a seven-year franchise term, expiring on March 20, 2016.^{2/} On seven separate occasions, Cablevision added several additional communities to the system-wide franchise, and the Board approved each of these additions.^{3/} Cablevision now serves 39 communities in New Jersey pursuant to its system-wide franchise.^{4/}

On August 26, 2020, Cablevision sent the Board a notice of its intention to seek a renewal of the system-wide franchise. OCTV subsequently invited Cablevision to comment on its performance and to assess how it will meet the future needs of the communities in the franchise area. As set forth below, Cablevision's performance under its existing system-wide franchise, as well as its plans to meet the future needs of the communities within the system, support the renewal of its system-wide franchise.

In the Matter of Cablevision of Oakland, LLC for the Conversion to a System-Wide Franchise in the Township of Cedar Grove, Order, BPU Docket No. CE09030231, at 4-6 (Jul. 1, 2009).

In the Matter of Cablevision of Oakland, LLC for the Conversion to a System-Wide Franchise in the Township of Cedar Grove, Seventh Order of Amendment, BPU Docket No. CE09030231, at 1-2 (Dec. 18, 2013) (providing an overview of each occasion on which the Board acknowledged and approved Cablevision's addition of additional municipalities to the system-wide franchise area).

More specifically, Cablevision serves the following communities under its system-wide franchise: Boroughs of Alpine, Allendale, Bogota, Elmwood Park, Franklin Lakes, Glen Rock, Haledon, Hasbrouck Heights, Hawthorne, Ho-Ho-Kus, Lodi, Maywood, Midland Park, North Caldwell, North Haledon, Oakland, Park Ridge, Prospect Park, Ramsey, River Edge, Totowa, Upper Saddle River, Waldwick, Westwood, and Wood-Ridge; Townships of Cedar Grove, Little Falls, Nutley, Rochelle Park, Saddle Brook, South Hackensack, Washington (Bergen County), and Wyckoff; Cities of Clifton, Garfield, Hackensack, and Passaic; the Village of Ridgewood and Teaneck. In addition, Cablevision serves 13 other municipalities pursuant to municipal consent-based franchises in each of those communities.

Letter to Board Secretary Aida Camacho-Welch from Cablevision Senior Director of Government Affairs, Marilyn D. Davis (Aug. 26, 2020); See also 47 U.S.C. § 546(a) (establishing process for renewal that may be initiated either by the cable operator or the local franchising authority within the 6-month period beginning with the 36th month before franchise expiration).

Letter to Cablevision Senior Director of Government Affairs, Marilyn D. Davis from Director Lawanda R. Gilbert (Nov. 2, 2023).

III. ASSESSMENT OF CABLEVISION'S PAST PERFORMANCE AND PLANS TO MEET COMMUNITY NEEDS

In August of 2006, the New Jersey legislature enacted comprehensive amendments to the New Jersey Cable Television Act. ^{7/} This legislation created system-wide franchises, and imposed certain "restrictions and pre-conditions" on the scope of review of applications for renewals of such franchises. ^{8/} A renewal proceeding is limited to a determination of whether Cablevision's forthcoming application complies with the requirements of N.J.S.A 48:5A-28 regarding its provision of cable television service. ^{9/}

Under N.J.S.A. 48:5A-17, a system-wide franchise applicant must demonstrate that it is willing to conform with the rules and obligations applicable to cable operators under state and federal law.^{10/} Cablevision currently meets these obligations, and it affirms its willingness to continue to do so in its application.

While Cablevision's performance assessment herein is focused on the statutory obligations of N.J.S.A 48:5A-28, and related regulations, the scope of these comments does not limit Cablevision's assessment that it is in substantial compliance with all statutory and regulatory obligations of a system-wide franchisee. Further, Cablevision herein provides for

^{7/} See P.L. 2006, c. 83.

In the Matter of the Application of Verizon New Jersey, Inc. for Renewal of a System-wide Cable Television Franchise ("Verizon Renewal Order"), System-wide Cable Television Franchise Renewal, Docket No. CE13080756, at 3 (Jan. 30, 2014).

^{9/} *Id.* (quoting N.J.S.A. 48:5A-16(f)); see also N.J.A.C. 14:18-14.9.

Verizon Renewal Order, at 4 ("N.J.S.A. 48:5A-17 permits the Board to issue a system-wide franchise following its review of the application, where it finds the applicant has complied or is ready, willing and able to comply with all applicable rules and regulations imposed or pursuant to State or federal law as preconditions for providing cable service.").

informational purposes additional perspective on the wide range of services Cablevision provides to subscribers in the franchise area.

A. Company Background

Cablevision, together with its affiliates operating under the Optimum brand (hereafter referenced collectively as Cablevision), have a long record of deploying and operating high-capacity networks – serving approximately 4.8 million residential and business subscribers in twenty-one states with advanced cable television services, in addition to broadband internet, fixed voice and mobile services to service customers' communications needs. In New Jersey, where the Company serves its customers across 200 communities, all households and businesses passed by the Optimum network have access to the full Optimum cable programming suite and high-speed broadband plans.

Cablevision has made New Jersey a focus of its network investment – upgrading its existing hybrid fiber-coaxial cable (HFC) network, which serves the majority of its New Jersey customers, to offer its to 1 Gig product. In response to customer demands for greater connectivity and to address isolated pockets of congestion associated with greater network usage, the Company has made significant investments to add capacity to its HFC network to improve service, address increased demand and enhance network resilience, and has taken proactive measures to improve its field and customer service operations in New Jersey. ¹¹

Cablevision shares this background to OCTV to illustrate its comprehensive suite of products and its commitment to its customers. As such, this is shared for informational purposes only and is not intended to confer jurisdiction over broadband or other non-cable services or expand the scope of the Board's review of whether Cablevision meets the legal qualifications for a renewal of its systemwide cable franchise.

In its 2010 report to the legislature on the effects of the 2006 amendments to the Cable Television Act, the Board emphasized the benefit to consumers of more dynamic, better priced triple play (voice, video and data) service offerings by incumbent cable operators since the amendments were passed. Cablevision continues to develop innovative and desirable packages to meet its customer(s)'s needs and to establish the Company's value in the marketplace with respect to its competitors. Customers passed by the Optimum network have access to cable television, high-speed broadband, voice, and mobile products.

The Company would specifically highlight the following Optimum products and services:

Optimum TV Programming and Services: Optimum TV services include access to a suite of more than 200 standard and high-definition channels — with popular basic and premium networks, hyperlocal, business, national and international news through News 12, Cheddar News and i24NEWS, Video-on-Demand and the Optimum TV video app, and Cloud-based DVR with up to 150 hours of storage.

Optimum Stream and Apple TV: Optimum continues to offer innovative options for customer equipment and set-top boxes, including our latest, Optimum Stream – a 4K capable "all-in-one" home entertainment platform that provides Optimum TV customer with 200+ Live TV channels, On Demand and DVR, plus access to all the most popular streaming apps (e.g., Netflix, Max, YouTube, Disney+, Amazon Prime Video, Hulu and more) along with a voice-enabled remote control.

5

New Jersey Board of Public Utilities Report to the Governor and Legislature, "The Effects of the System-Wide Cable Television Franchise in New Jersey," Public Law 2006, Chapter 83 ("2010 System-Wide Franchise Report"), at iv & 11 (Jun. 2010).

New My Optimum Customer Portal: As part of a broader commitment to improved customer experience, the Company recently launched a redesigned Optimum customer portal with streamlined account creation, account management, and more, coupled with an improved customer support experience.

Optimum Broadband: Today, all Optimum NJ households have access to a range of high-speed broadband products up to 1 Gig at pro-consumer price points and Smart WiFi. The Company is also a participant in the FCC's Affordable Connectivity Program (ACP) – the current Optimum ACP offering provides eligible NJ households with 300 Mbps fixed home internet *for free* when the \$30 ACP benefit is applied. ACP households can also apply the \$30 monthly benefit to any Optimum broadband plan in New Jersey.

Optimum Mobile: The Company offers a mobile product through which New Jersey residents can obtain unlimited nationwide talk and text on their iPhone, Galaxy and other smart phone models. Earlier this year, the Company launched its "Optimum Complete" offer – combining Optimum Internet and Mobile at great savings to consumers.

B. Performance Under the Existing Franchise

For the purposes of assessing Cablevision's performance during the current franchise term, the review period at issue runs from March 20, 2016 to the present.^{14/} Cablevision's

Optimum, *Affordable Connectivity Program*, https://www.optimum.com/affordable-connectivity-program (last accessed Sept. 25, 2023).

See 47 U.S.C. § 546(a)(1)(B) (stating that the scope of a franchise renewal proceeding under the Federal Cable Act is "for the purposes of . . . reviewing the performance of the cable operator under the franchise during the then current franchise term") (emphasis added).

franchise area consists of fully built-out communities converted to a system-wide franchise.^{15/} The Company provides state-of-the art cable service (along with other advanced services) throughout its entire service footprint.^{16/} Moreover, Cablevision has at all times materially complied with the obligations imposed upon system-wide franchisees.

Service Availability.^{17/} Cablevision or its predecessors have provided cable service to some of the communities in the system-wide franchise area since the late 1970s. Today, Cablevision delivers cable service and other advanced digital services by maintaining approximately 2,000 miles of plant passing over 245,000 homes throughout the 39 communities in the franchise area. Cablevision has at all times during the term of the franchise complied with the statutory obligation prohibiting discrimination against any group of potential residential cable subscribers because of the income levels of the residents of the local area in which such groups reside.

Reporting. As required by law, Cablevision has maintained during the term of the franchise all records of complaints received for a period of at least 3 years beyond the close of the calendar year of the report, and such records are available for inspection by staff of the Office of Cable Television. Further, during the term of the franchise, Cablevision has timely compiled

In recognition of the different circumstances presented by an existing operator converting to a system-wide franchise as opposed to a new applicant, the legislature exempted those engaging in a conversion from having to identify their service area, describe the service to be provided, meet certain buildout milestones and insurance requirements, and provide a schedule of rates. *See* N.J.S.A. 48:5A-25.1(a) (exempting existing operators converting municipal-consent based to system-wide franchises from requirements of N.J.S.A. 48:5A-28(a) to (g)).

The Company notes that a "system-wide franchise . . . shall not require . . . a CATV company with municipal consents issued prior to the effective date of [the 2006 Cable Television Act amendments] to operate outside of the areas covered by such consents." N.J.S.A. 48:5A-19(b).

^{17/} See N.J.S.A. 48:5A-25.2(2)-(4).

and filed with the Office of Cable Television the annual customer complaint reports, required by N.J.S.A. 48:5A-26.1.

Line Extension. Through its municipal consent franchises, Cablevision has previously constructed a system subject to the minimal line extension obligations prescribed by the Board. Pursuant to N.J.S.A. 48:5A-28(h), by virtue of converting its local franchises to the system-wide franchise, Cablevision is in compliance with the required line extension obligations.

Community Programming and Service. Pursuant to N.J.S.A. 48:5A-28(i) Cablevision is committed to providing two public, educational and governmental ("PEG") channels within each of the municipalities in the system-wide franchise area, based on the cable related needs of each municipality. Cablevision makes available a studio, training, and equipment to interest PEG access users within the franchise area, subject to its PEG access user policies, pursuant to N.J.S.A. 48:5A-28 (l).

In addition, Cablevision provides free basic service and free Internet service as required by N.J.S.A. 48:5A-28(j) & (k) to fire stations, public schools, police stations and other municipal buildings within each of the communities in the system-wide franchise area. Where requested, Cablevision has fulfilled its obligation under N.J.S.A. 48:5A-28(m) to provide return feeds to municipalities for the purpose of interconnecting to the Company's system to distribute PEG programming.

Cablevision provides other valuable programming and services to the community that exceeds statutory requirements for its system-wide franchise. Cablevision's award-winning

News 12 channel focuses on news for residents both in the system and throughout the state. It is the only cable news channel dedicated solely to New Jersey news.

Consumer Protection. Cablevision has substantially complied with all consumer protection obligations under applicable law, as required by N.J.S.A. 48:5A-28(n). Among these Cablevision abides by the minimum customer service and consumer protection standards in the OCTV regulations. Further, Cablevision provides required "complaint officer" notifications, and maintains a required local business office, which is currently located at 40 Potash Road, Oakland, NJ 07436.¹⁸

Franchise Fees. Pursuant to 48:5A-30(d), Cablevision pays a franchise fee in the amount of 3.5% to each of the municipalities in the system, plus a payment of up to 0.5% to the State Treasurer to support the CATV Universal Access Fund. At all times during the term of the existing franchise, Cablevision met its franchise fee obligations in accordance with applicable law, including timely payment of annual franchise fees by January 25th accompanied by the required written verifications. ¹⁹/

Cablevision has materially complied with all of its existing franchise obligations, and the Company's performance record since its conversion to a system-wide franchise supports renewal of the franchise.

¹⁸ See N.J.S.A. 48:5A-26.

Cablevision notes that some of the communities now part of the system-wide franchise were for at least some part of the franchise term served under a municipal consent-based franchise under which Cablevision's franchise fee obligation was 2% of gross revenues, payable to the only the municipality. See N.J.S.A. 48:5A-30(a) & (d). At all relevant times (March 20, 2016 to the present), Cablevision was in compliance with the applicable franchise fee payment obligations imposed upon it at the time the payments were due.

C. Cable-Related Needs

The obligations imposed upon system-wide franchisees by the New Jersey Cable Television Act are designed to delineate and circumscribe the cable-related needs of the communities included in such a franchise and ensure a uniform cable service experience across those communities. By fulfilling its statutory obligations as a system-wide franchise holder under the New Jersey Cable Television Act, Cablevision currently meets the existing cable- related needs of the communities it serves. Further, by committing to continue to meet all of these obligations for the duration of any renewed franchise in the future, as Cablevision will do when it submits its renewal application, the Company will adequately address the future cable- related needs and interests of the system-wide franchise communities.

IV. CONCLUSION

For the reasons outlined above, Cablevision has fulfilled its obligations under its existing system-wide franchise and will continue to meet the needs of the community on a going-forward basis through its continued adherence to its obligations. Cablevision is confident that at the conclusion of the renewal process contemplated by the Federal Cable Act and the New Jersey Cable Television Act, the Board will grant Cablevision a renewal of its system-wide franchise.

EXHIBIT A

NUMBER OF PEG CHANNELS CURRENTLY USED BY EACH MUNICIPALITY IN CABLEVISION OF OAKLAND, LLC SYSTEM-WIDE FRANCHISE*

MUNICIPALITY	PEG CHANNELS IN USE	
Allendale	2	
Alpine	2	
Bogota	2	
Cedar Grove	2	
Clifton	2	
Elmwood Park	2	
Franklin Lakes	2	
Garfield	2	
Glen Rock	2	
Hackensack	2	
Haledon	2	
Hasbrouck Heights	2	
Hawthorne	2	
Ho-Ho-Kus	2	
Little Falls	2	
Lodi	2	
Maywood	2	
Midland Park	2	
North Caldwell	2	
North Haledon	2	
Nutley	2	
Oakland	2	
Park Ridge	2	
Passaic	2	
Prospect Park	2	
Ramsey	2	
Ridgewood	2	
River Edge	2	
Rochelle Park	2	
Saddle Brook	2	
South Hackensack	2	
Teaneck	2	
Totowa	2	
Upper Saddle River	2	
Waldwick	2	
Washington Twp.	2	
Westwood	2	
Wood Ridge	2	
Wyckoff	2	

^{*}Data current as of December 2023