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July 21, 2016

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BOARD OF PUBLIC UTILITIES MAIL ROOM

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VIA HAND DELIVERY

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor
Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

In the Matter of 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

BPU Docket No.: CM15111255

And

In the Matter of the Verified Joint Petition of Altice N.V. and Cablevision Systems Corporation, Cablevision Lightpath-NJ, LLC and 4Connections LLC for Approval to Transfer Control of Cablevision Lightpath-NJ, LLC and 4Connections, LLC and for Certain Financing Arrangements

BPU Docket No.: TM15111256

Dear Ms. Asbury:

On behalf of Altice USA (hereinafter "the Company") and pursuant to N.J.A.C. 14:1-12.8 and the Board's Order in the above-captioned matters, effective May 27, 2016, we are providing this letter together with the attached affidavit of Paul Jamieson, Esq. (hereinafter "Jamieson Affidavit"), the Company's Vice President, Government & Policy, to substantiate the Company's request for confidential treatment of the post-closure information submitted pursuant to the Board's Order (hereinafter collectively "the Post-Closure Information").

{01660770.DOC;1}

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Confidential copies as well as public redacted copies of the Post-Closure Information have been sent via Hand Delivery to the Office of Cable Television and Telecommunications. All notices under N.J.A.C. 14:1-12.7 or 12.9 should be provided to Paul Jamieson, Esq., Altice USA, 1111 Stewart Avenue, Bethpage, New York 11714, telephone – (516) 803-2544, fax – (516) 803-2585, E-Mail pjamieso@cablevision.com and to the undersigned.

The Company seeks to maintain the confidentiality of proprietary commercial information, which if disclosed, would work to the advantage of the Company's competitors and, therefore, have an adverse impact on its competitive position.

Specifically, Page 7, Paragraph 1(a) of the BPU's Order requires that the Company "submit a detailed description of the current network in New Jersey including system capacity, analog/digital RF allocation, and maximum broadband speed offering (downstream and upstream)" (hereinafter "Network Information"). The Company has redacted the Network Information because it consists of highly confidential proprietary commercial data, which if disclosed, could place the Company at a competitive disadvantage. Access to the Network Information would give competitors detailed information on the Company's capacity to serve customers, including the extent to which its systems have been upgraded with fiber optic deployment and with other technical advances. See, Jamieson Affidavit at page 2, para. 3.

In addition, Page 10, Paragraph 1(i) of the BPU Order requires that the Company "provide the Board with the Repair & Service calls per customer for the calendar year 2015... within 30 days of the Closing" (hereinafter "the Service Quality Benchmark"). The Company has redacted the Service Quality Benchmark because it is highly confidential proprietary commercial information, which if disclosed, could place the Company at a competitive disadvantage. Access to the Service Quality Benchmark would give competitors highly confidential information regarding the Company's operations concerning its service to subscribers. See, Jamieson Affidavit at page 2, para. 4.

The Open Public Records Act ("OPRA"), <u>N.J.S.A.</u> 47:1A-1, <u>et seq</u>, sets forth the definition of a "government record". Excluded from the definition of a "public record" and the concomitant obligation to disclose are "trade secrets and proprietary commercial or financial information obtained from any source" and "information which, if disclosed, would give an advantage to competitors or bidders." <u>N.J.S.A.</u> 47:1A-1.1. The Board has denied requests for the release of information that could unfairly provide an advantage to competitors.¹

In <u>In the Matter of the Request for Solid Waste Utility Customer Lists</u>, the New Jersey Supreme Court reviewed the authority of the Board to order that solid waste companies provide customer lists to the Board. In affirming the Board's right to the proprietary information, the Court stated:

¹ See, e.g., <u>Application of Jersey Central Power & Light Co. for Approval of the Power Purchase Agreement Between Jersey Central Power & Light Co. and Freehold Cogeneration Associates, L.P.</u>, Docket No. EM92030359, 1994 WL 53504, #2, Order Granting Motion for Protective Order (N.J. B.P.U. Sept. 8, 1994).



Even so, we recognize that the lists are of value to appellants, and that the Board should provide adequate safeguards against public disclosure. . . . The Board itself recognized the confidential nature of the lists by providing in the order that "these lists will not be available for inspection or use by other collectors or the public as such public inspection is unnecessary to the Board's purposes in requiring the lists.

106 N.J. 508, 523-524 (1987) (citations omitted).

It is clear that our Legislature, the Board and the New Jersey Government Records Council ("GRC") have recognized that businesses in New Jersey should not be placed at a competitive disadvantage because of their submission of information to state or local government agencies. As noted, the Legislature specifically excluded "information which, if disclosed, would give an advantage to competitors or bidders" from the disclosure requirements in OPRA. This has been confirmed by the GRC in Joseph Belth v. N.J. Department of Banking and Insurance, Complaint No. 2003-29, dated March 8, 2004. In that case, the complainant requested a copy of records that would disclose the financial condition of an insurance company. In its decision, the GRC determined that the Department of Banking and Insurance had met its burden to show that the requested information is exempt under the "advantage to competitors" provision of OPRA and that the Department of Banking and Insurance had properly denied access to the information. The GRC reasoned that the information sought pertained to the insurance company's financial condition which if disclosed would give competitors an advantage. Therefore, New Jersey's approach is clear on its face. Adherence to this approach will serve to protect all competitors in the broadband market, will allow for fair competition, and will permit regulated entities to disclose information to state agencies in a fair and orderly manner.

N.J.A.C. 14:1-12.8 sets forth criteria for substantiating a claim for the confidential treatment of information. Subsection (a) (6) of the above regulation calls for a description of the harm that would befall the Company should the specified information be disclosed. As noted above and stated in the Jamieson Affidavit, the Company has redacted the Network Information and Service Quality Benchmark to avoid giving an advantage to competitors. It is clear that this information is highly confidential and proprietary in nature.

Access to the Network Information and Service Quality Benchmark would give competitors detailed information on the Company's commercial operations and insight into its business plans. In contrast, the Company would not have similar intimate knowledge of its competitors' commercial operations and business plans to allow it to respond effectively to this kind of marketing strategy. Therefore, analysis of the Network Information and the Service Quality Benchmark would be of great benefit to the Company's competitors resulting in a distortion of competition in New Jersey, to the Company's financial detriment. See Belth v. N.J. Department of Banking and Insurance, Complaint No. 2003-29, dated March 8, 2004; see also Jamieson Affidavit at pages 2 and 3, para. 5.

Moreover, it is clear that commercial information that provides details on the Company's operations constitutes proprietary information that should never be released to the general public. This information relates to operations of a company that should never be provided to individuals that may be in a position to damage the Company's reputation or economic standing. The documents setting forth the Network

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Information and the Service Quality Benchmark are not public documents created by a public entity with public funds that may be routinely provided to the public. See, Jamieson Affidavit, page 3, para. 6.

In conclusion, it is respectfully submitted that the Network Information and the Service Quality Benchmark do not constitute government records as that term is defined under N.J.S.A. 47:1A-1.1 and should be maintained by the Board of Public Utilities as confidential information. This information is clearly proprietary to the Company and, if released, would give an unfair, competitive advantage to its competitors that would have a significant adverse impact on the Company's financial position. Jamieson Affidavit at page 3, para. 9. Therefore, the clear prejudice to the Company requires continued confidential treatment of the Network Information and the Service Quality Benchmark.

Based on the foregoing, pursuant to N.J.A.C. 14:1-12.8 (a) (7), we ask that the Network Information and the Service Quality Benchmark be maintained by the Board in a confidential file for five (5) years from the date of this letter.

Respectfully submitted,

SCHENCK, PRICE, SMITH & KING, LLP

Sidney A. Sayovitz

Encls.

cc: Lawanda Gilbert, Director

Office of Cable Television and Telecommunications (via Hand Delivery)

Paul Jamieson, Esq.

SCHENCK, PRICE, SMITH & KING, LLP

220 Park Avenue P.O. Box 991 Florham Park, New Jersey 07932 (973) 539-1000 Attorneys for Altice USA



BOARD OF PUBLIC UTILITIES
MAIL ROOM

AFFIDAVIT OF PAUL JAMIESON

BPU DOCKET NO. CM15111255

BPU DOCKET NO. TM15111256

IN THE MATTER OF 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

and

IN THE MATTER OF THE VERIFIED JOINT:

PETITION OF ALTICE N.V. AND

CABLEVISION SYSTEMS CORPORATION, :

CABLEVISION LIGHTPATH-NJ, LLC AND : 4CONNECTIONS LLC, FOR APPROVAL TO :

TRANSFER CONTROL OF CABLEVISION : LIGHTPATH-NJ, LLC AND 4CONNECTIONS:

LLC AND FOR CERTAIN FINANCING

ARRANGEMENTS

STATE OF NEW YORK

: SS:

COUNTY OF NASSAU

I, PAUL JAMIESON, being of full age, being duly sworn, deposes and says:

1. I am Vice President, Government and Policy, for Altice USA (hereinafter "the Company").

{01660404.DOC;1}

- 2. I am familiar with the information referenced in this affidavit provided pursuant to the Order in the above-captioned matters issued by the New Jersey Board of Public Utilities issued on or about May 26, 2016 (hereinafter "BPU's Order"). I submit this affidavit in support of the Company's request for confidential and proprietary treatment of same. If called as a witness, I could and would testify competently to the same.
- 3. Page 7, Paragraph 1(a) of the BPU's Order requires that the Company "submit a detailed description of the current network in New Jersey including system capacity, analog/digital RF allocation, and maximum broadband speed offering (downstream and upstream)" (hereinafter "Network Information"). The Company has redacted the Network Information because it consists of highly confidential proprietary commercial data, which if disclosed, could place the Company at a competitive disadvantage. Access to the Network Information would give competitors detailed information on the Company's capacity to serve customers, including the extent to which its systems have been upgraded with fiber optic deployment and with other technical advances.
- Page 10, Paragraph 1(i) of the BPU Order requires that the Company "provide the Board with the Repair & Service calls per customer for the calendar year 2015 . . . within 30 days of the Closing" (hereinafter "the Service Quality Benchmark"). The Company has redacted the Service Quality Benchmark because it is highly confidential proprietary commercial information, which if disclosed, could place the Company at a competitive disadvantage. Access to the Service Quality Benchmark would give competitors highly confidential information regarding the Company's operations concerning its service to subscribers.
- 5. Access to the Network Information and the Service Quality Benchmark would give competitors detailed information on the Company's commercial operations and insight into its business plans. In contrast, the Company would not have similar intimate knowledge of its

competitors' commercial operations and business plans to allow it to respond effectively to this kind of marketing strategy. Therefore, analysis of the Network Information and the Service Quality Benchmark would be of great benefit to the Company's competitors resulting in a distortion of competition in New Jersey, to the Company's financial detriment.

- 6. It is clear that commercial information that provides details on the Company's operations constitutes proprietary information that should never be released to the general public. This information relates to operations of a company that should never be provided to individuals that may be in a position to damage the Company's reputation or economic standing. The documents setting forth the Network Information and the Service Quality Benchmark are not public documents created by a public entity with public funds that may be routinely provided to the public.
- 7. The documents containing the Network Information and the Service Quality Benchmark are not available to the general public and have not been publicly divulged. The Company has taken precautions to make sure that this information does not enter the public domain.
- 8. Maintaining the confidentiality of the Network Information and the Service Quality Benchmark will not harm the general public.
- 9. In view of the foregoing, it is clear that the documents containing the proprietary Network Information and the Service Quality Benchmark are confidential and if disclosed, would give competitors an undue competitive advantage that would have a significant adverse impact on the Company's financial position. Therefore, the clear prejudice to Company and the unfair advantage to its competitors require continued confidential treatment for at least five years from the date of this affidavit.

SIGNATURE ON FOLLOWING PAGE

PAUL JAMIESON

Sworn before me this

20th day of July 2016

Notary Public

ROBERT HOCH
NOTARY PUBLIC, STATE OF NEW YORK
NO. 02H06002764
QUALIFIED IN WESTCHESTER CO.
COMMISSION EXPIRES FEB. 17 20/18