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November 21, 2016

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BOARD OF PUBLIC UTILITIES

MAIL ROOM

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

Response to Request by the Director of the Office of Cable Television and Telecommunications

Dear Ms. Asbury:

On behalf of Altice USA (hereinafter "Altice") we are providing this letter together with the attached affidavit of Paul Jamieson, Esq. (hereinafter "Jamieson Affidavit"), the Altice's Vice President, Government & Policy, to substantiate Altice's request for confidential treatment of portions of its letter dated November 18, 2016 submitted herewith in response to a request by the Director of the Office of Cable Television and Telecommunications (hereinafter "the November 18, Letter" or "letter").

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FLORHAM PARK, NJ PARAMUS, NJ

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NEW YORK, NY



A Confidential copy as well as a public redacted copy of the November 18, 2016 Letter has also 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 November 18, 2016 Letter sets forth proprietary financial, technical and operational information regarding Altice's hybrid fiber optic/coaxial cable network in New Jersey (hereinafter the "the Confidential Technical and Financial Information"). Specifically, the Confidential Technical and Financial Information in the letter includes information on the allocation of bandwidth across data, video, voice services, as well a detailed comparison of Altice's financial, operational and technical commitments in New York and New Jersey. Altice is concerned about the possible release of the Confidential Technical and Financial Information due to its competitively sensitive proprietary nature. For this reason, we have redacted all of the Confidential Technical and Financial Information included in November 18, 2006 Letter. see Jamieson Affidavit at page 2, para. 2.

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:

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

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., Docket No. EM92030359, 1994 WL 53504, #2, Order Granting Motion for Protective Order (N.J. B.P.U. Sept. 8, 1994).</u>



disclosure requirements in OPRA. This has been confirmed by the GRC in <u>Joseph Belth v. N.J. Department of Banking and Insurance</u>, 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 Altice should the specified information be disclosed. As noted above and stated in the Jamieson Affidavit, Altice has redacted the November 18, 2016 Letter to avoid giving an advantage to competitors.

Disclosure of the Confidential Technical and Financial Information would allow a competitor to evaluate Altice's technical and financial capabilities. Thus, a competitor could use the Confidential Technical and Financial Information to analyze Altice's operations and allow it develop strategies for marketing, investment and/or construction purposes. See <u>Belth v. N.J. Department of Banking and Insurance</u>, Complaint No. 2003-29, dated March 8, 2004; see also Jamieson Affidavit at page 2, para. 3.

Armed with an understanding of the Altice's plans regarding the Confidential Technical and Financial Information would allow a competitor to evaluate Altice's proprietary operational plans and target particular cable market segments, thereby gaining a competitive advantage. In contrast, Altice would not have any knowledge of its competitors' plans and costs relating to its network operations that would allow it to respond effectively. See Jamieson Affidavit at page 2, para. 4. Therefore, it is clear that the Confidential Technical and Financial Information in the November 18 Letter is proprietary which, if disclosed, would give competitors an undue competitive advantage that would have a significant adverse impact on Altice's financial position in the marketplace. See Jamieson Affidavit at page 3, para. 7.

For the foregoing reasons, it is respectfully submitted that the Confidential Technical and Financial Information in the November 18, 2016 Letter does not constitute a government record as that term is defined under N.J.S.A. 47:1A-1.1 This information provides proprietary details on the Company's operations that should never be provided to individuals that may be in a position to damage the Company's reputation or economic standing. The November 18, 2016 Letter is not a public document created by a public entity with public funds that may be routinely provided to the public.



Based on the foregoing, pursuant to <u>N.J.A.C.</u> 14:1-12.8 (a) (7), we ask that the Confidential Financial and Technical Information set forth in the November 18, Letter 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.