

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

I. INTRODUCTION

Cablevision of Paterson, LLC (“Cablevision of Paterson” or “Company” or “Cablevision”) submits the following comments in response to the February 20, 2024, request of the Office of Cable Television & Telecommunications (“OCTV&T”). In that request, OCTV&T seeks comment on Cablevision of Paterson’s performance under its existing system-wide franchise, and on how the Company intends to meet the future needs of the system’s sole community, City of Paterson, 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 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 January 29, 2015, Cablevision of Paterson notified the Board and the City of Paterson of its intention to convert its municipal consent-based franchise in that City to a system-wide franchise.¹ On April 1, 2015, the Board issued an Order acknowledging Cablevision of

¹ 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 Cable 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”)

Paterson’s conversion of the City of Paterson franchise to a system-wide franchise, and establishing a seven-year franchise term, expiring on January 30, 2022.

On February 27, 2019, Cablevision of Paterson sent the City of Paterson and the Board a notice of its intention to seek a renewal of its system-wide franchise.² Thereafter, OCTV&T sent a letter to the Company on October 1, 2021, informing the Company that the Board would begin its formal review of its system-wide franchise.³ On January 9, 2024, a public hearing was held to assess the City of Paterson’s cable related needs and interests and to review, consistent with N.J.S.A. 48:5A-1 et seq., Cablevision of Paterson’s past performance. On February 20, 2024, OCTV&T invited Cablevision of Paterson to comment on its performance and to assess how it will meet the future needs of the city.⁴ As set forth below, Cablevision of Paterson hereby provides its initial comments in support of the renewal of its system-wide franchise outlining its performance under its existing system-wide franchise, as well as its plans to meet the future needs of the city.

III. ASSESSMENT OF CABLEVISION OF PATERSON’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.⁵ This legislation created system-wide franchises, and

² *Letter to Paterson Mayor Andre Sayegh From Cablevision Senior Director, Government Affairs, Marilyn D. Davis* (Feb. 27, 2019); *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).

³ *Letter to Cablevision Senior Director, Government Affairs Marilyn Davis from Director Lawanda R. Gilbert* (Oct. 1, 2021).

⁴ *Letter to Cablevision Senior Director, Government Affairs Marilyn Davis from Director Lawanda R. Gilbert* (Feb. 20, 2024).

⁵ *See* P.L. 2006, c. 83.

imposed certain “restrictions and pre-conditions” on the scope of review of applications for renewals of such franchises.⁶ Cablevision of Paterson’s renewal proceeding is limited to a determination of whether Cablevision of Paterson’s forthcoming application complies with the requirements of N.J.S.A.48:5A-17 and 48:5A-28 regarding its provision of cable television service.⁷ Prior to approving a renewal, OCTV&T shall review the past performance of the cable television operator holding a system-wide franchise, and assess the future cable-related needs and interests of the municipalities covered by the system-wide franchise, consistent with N.J.S.A. 48:5A-28.⁸

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.⁹ By virtue of Cablevision of Paterson’s lawful operation under the prior municipal consent franchise approved by the Board, and Cablevision of Paterson’s automatic conversion of this franchise to a system-wide franchise pursuant to N.J.S.A 48:5A-25.1, Cablevision of Paterson has previously met, and continues to meet, the obligations of N.J.S.A. 48:5A-17, and it affirms its willingness to continue to do so in its application.

While Cablevision of Paterson’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

⁶ *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).

⁷ *Id.* (quoting N.J.S.A. 48:5A-16(f)); *see also* N.J.A.C. 14:18-14.9.

⁸ *See* N.J.A.C. 14:18-14.17.

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.”).

does not limit Cablevision of Paterson's assessment that it is in substantial compliance with all statutory and regulatory obligations of a system-wide franchisee. Further, Cablevision of Paterson herein provides for informational purposes additional information for the Board's benefit, to give perspective on the wide range of services Cablevision of Paterson 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 in over 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 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.¹⁰

¹⁰ Cablevision shares this background to OCTV&T 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

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.¹¹ Cablevision of Paterson 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, 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

Board's review of whether Cablevision meets the legal qualifications for a renewal of its systemwide cable franchise.

¹¹ 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).

streaming apps (e.g., Netflix, Max, YouTube, Disney+, Amazon Prime Video, Hulu and more) along with a voice-enabled remote control.

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.¹² 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.

¹² Optimum, Affordable Connectivity Program, <https://www.optimum.com/affordable-connectivity-program> (last accessed Sept. 25, 2023).

B. Performance Under the Existing Franchise

For the purposes of assessing Cablevision of Paterson's performance during the current franchise term, the review period at issue runs from January 29, 2015 to the present.¹³

Cablevision of Paterson's franchise area consists of a fully built-out community converted to a system-wide franchise.¹⁴ The Company provides state-of-the art cable service (along with other advanced services) throughout its entire service footprint.¹⁵ Moreover, Cablevision of Paterson has at all times materially complied with the obligations imposed upon system-wide franchisees:

Service Availability.¹⁶ Today, Cablevision of Paterson delivers cable service and other advanced digital services by maintaining hundreds of miles of plant passing to tens of thousands of homes throughout the franchise area. Cablevision of Paterson has at all times during the term of the franchise complied with the statutory obligation prohibiting service 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 of Paterson 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

¹³ 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).

¹⁴ 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 build out 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)).

¹⁵ 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).

¹⁶ See N.J.S.A. 48:5A-25.2(2)-(4).

the Office of Cable Television & Telecommunications.¹⁷ Further, during the term of the franchise, Cablevision of Paterson has timely compiled and filed with the Office of Cable Television & Telecommunications the annual customer complaint reports, required by N.J.S.A. 48:5A-26.1.

Line Extension. Through its municipal consent franchise, Cablevision of Paterson 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 franchise to the system-wide franchise, Cablevision of Paterson is in compliance with the required line extension obligations.

Community Programming and Service. Pursuant to N.J.S.A. 48:5A-28(i) Cablevision of Paterson offers three public, educational and governmental (“PEG”) channels to the municipality in the system-wide franchise area, based on the cable related needs of the municipality (see Exhibit A for number of PEG channels currently used by municipality). Cablevision of Paterson makes available a studio, training, and equipment to interested 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 of Paterson provides free basic video service and free Internet service within the community in the system-wide franchise area. Where requested, Cablevision of Paterson 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.

¹⁷ See N.J.A.C. 14:18-6.7.

Cablevision of Paterson provides other valuable programming and services to the community that exceed 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.

Consumer Protection. Cablevision of Paterson 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 Paterson abides by the minimum customer service and consumer protection standards in the OCTV&T regulations.¹⁸ Further, Cablevision of Paterson provides required "complaint officer" notifications, and maintains a required local business office, which is currently located at 100 Hamilton Plaza, Paterson, NJ 07505.¹⁹

Franchise Fees. Pursuant to 48:5A-30(d), Cablevision of Paterson pays a franchise fee in the amount of 3.5% to the municipality in the system, plus a payment of 0.5% to the State Treasurer to support the CATV Universal Access Fund. At all times during the term of the existing franchise, Cablevision of Paterson 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.

Cablevision of Paterson 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.A.C. 14:18-3.1 through 3.27

¹⁹ See N.J.S.A. 48:5A-26.

C. Cable-Related Needs

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 Paterson currently meets the existing cable-related needs of the city 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 Paterson 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 for its sole community, the City of Paterson.

IV. CONCLUSION

For the reasons outlined above, Cablevision of Paterson 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 of Paterson 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 of Paterson a renewal of its system-wide franchise.