



STATE OF NEW JERSEY
Board of Public Utilities
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OFFICE OF CABLE TELEVISION &
TELECOMMUNICATIONS
(OCTV&T)

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

BPU DOCKET No. CE16090920

FRANCHISE RENEWAL/
ASCERTAINMENT REPORT

September 25, 2024

Background/Procedural History

In August 2006, amendments to the New Jersey Cable Television 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).

CSC TKR, LLC (“CSC TKR” “Cablevision Systems Corporation” or “Cablevision”) was the holder of sixty-two (62) traditional municipal consent-based cable television franchises in Northern New Jersey. On January 11, 2010, CSC TKR, LLC notified the Borough of Allentown (“Allentown”) and the Board that it would convert the Allentown 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, CSC TKR, LLC was relieved of any franchise obligations included in the municipal consent adopted by Allentown. The Board subsequently issued an Order¹ memorializing the conversion of the Allentown franchise and issuing a system-wide franchise for a term of seven (7) years to expire on January 11, 2017.² CSC TKR, LLC converted an additional thirty-two (“32”) municipalities to its system-wide cable television franchise area during the term.

On February 22, 2017, the Board issued a renewal system-wide cable television franchise to CSC TKR, LLC for a term of seven (7) years, which expired on January 10, 2024.³ CSC TKR, LLC currently serves thirty-six (36) municipalities under the system-wide franchise,

¹ In re CSC TKR, LLC for the Conversion to a System-Wide Franchise in the Borough of Allentown, BPU Docket No. CE10010024, Order dated February 11, 2010.

² Cablevision’s converted system-wide cable television franchise runs for a term of seven (7) years from the date of the first conversion of a municipal consent-based franchise within its cable television system.

³ In re the Application of CSC TKR, LLC for the Renewal of its System-Wide Cable Television Franchise, BPU Docket No. CE16090920, Order dated February 22, 2017.

as of the date of this report.⁴ CSC TKR maintains twenty-six (26) municipalities under municipal consent ordinance based franchises.

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 at 47 U.S.C. 546 sets forth the renewal process required to be used by franchising authorities. Ascertainment is the term utilized by the Board's rules to explain the fact-finding process used to examine the past performance of the cable operator and identify the future cable-related needs of the community. The Board's review of CSC TKR, LLC'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;
2. The extent to which CSC TKR, LLC 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 CSC TKR, LLC'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 (7) 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 May 11, 2021, CSC TKR, LLC notified the Board of its intention to renew its system-wide cable television franchise. On June 20, 2024, the OCTV&T notified CSC TKR, LLC that the OCTV&T would review CSC TKR, LLC's performance under its system-wide franchise pursuant to Federal and State guidelines, as outlined above. Concurrently, the OCTV&T invited CSC TKR, LLC to file comments on its performance under its system-wide cable television franchise

⁴ In re the Application of CSC TKR, LLC for the Renewal of its System-Wide Cable Television Franchise, BPU Docket No. CE16090920, Order of Amendment dated December 19, 2017, which added the City of Elizabeth, Borough of Milltown and the City of New Brunswick. See Attachment I for list of Cablevision of New Jersey System-wide Cable Television Franchise municipalities.

and to assess how it will meet the future needs of the communities listed in its franchise application. CSC TKR, LLC filed its Initial Comments with the OCTV&T on July 22, 2024.⁵ In its comments, CSC TKR, LLC 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 CSC TKR, LLC are substantially fulfilled by the State Act's statutory obligations, including higher franchise fees, public, educational, and governmental ("PEG") programming, equipment and training, and free municipal connections.

⁵ 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) through (n). With respect to these requirements, CSC TKR, LLC 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, CSC TKR 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 CSC TKR 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 CSC TKR, LLC 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;

CSC TKR, LLC'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.

CSC TKR, LLC's performance

(h) – Line Extension Policy

Under the system-wide cable television franchise structure, CSC TKR, LLC 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. CSC TKR uses the OCTV&T's LEP in its municipalities, but the minimum homes per mile figure ("HPM") differs, and in some cases, CSC TKR does not use an LEP at all. In Bound Brook Borough, City of Elizabeth and Madison Borough, CSC TKR provides service to any resident at no cost beyond the installation rates contained in its schedule of prices, rates, terms and conditions filed with the Board. In Denville Township, CSC TKR provides service to residents in accordance with the OCTV&T's LEP based upon a minimum of 15 homes per mile. In Rockaway Township, CSC TKR provides

service to residents in accordance with the OCTV&T's LEP based upon a minimum of 20 homes per mile. In Allentown Borough, Bernards Township, Chatham Borough, Dover Town, East Hanover Township, Florham Park Borough, Hanover Township, Highland Park Borough, Keansburg Borough, Manville Borough, Milltown Borough, Mine Hill Township, Morris Plains Borough, Morris Township, Morristown Town, City of New Brunswick, Randolph Township, Raritan Borough, Rockaway Borough, Somerville Borough and Warren Township, CSC TKR provides service to residents in accordance with the OCTV&T's LEP based upon a minimum of 25 homes per mile. In Aberdeen Township, Bridgewater Township, Hamilton Township, Keyport Borough, Matawan Borough, South Bound Brook Borough, Union Beach Borough, Victory Gardens Borough, Watchung Borough and Wharton Borough, CSC TKR provides service to residents in accordance with the OCTV&T's LEP based upon a minimum of 35 homes per mile. CSC TKR, LLC also employs a commercial LEP which is applicable to businesses. CSC TKR, LLC continues these policies under its system-wide cable television franchise.

CSC TKR, LLC reports: *Through its municipal consent franchises, CSC TKR 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, CSC TKR is in compliance with the required line extension obligations.*

Conclusion: The OCTV&T did not receive any complaints from residents regarding extension of service in the New Jersey system. Therefore, the OCTV&T finds that CSC TKR, LLC 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 buildings;*
- (m) – return feeds;*

The State Act requires that upon request, CSC TKR, LLC 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.

CSC TKR, LLC reports: *Pursuant to N.J.S.A. 48:5A-28(i) CSC TKR 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 the municipality (see Exhibit A for number of PEG channels currently used by each municipality). CSC TKR 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, CSC TKR provides free basic video service and free Internet service within each of the communities in the system-wide franchise area. Where requested, CSC TKR 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.

CSC TKR 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.

Discussion: CSC TKR, as a municipal consent-based cable television franchise holder was already providing up to two (2) 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. CSC TKR, LLC 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.⁶ The OCTV&T Staff has referred any inquiry from the municipality to the Company, which then addressed the municipality's request(s). This process fulfills Federal requirements to provide appropriate notice to the Company and to allow for an opportunity to cure, however, the OCTV&T does not have any active requests at this time. Therefore, the OCTV&T finds that CSC TKR, LLC is in compliance with its system-wide cable television franchise.

⁶ On March 14, 2023, CSC TKR filed a petition with the Board seeking relief against the Borough of Madison ("Madison") for the alleged denial of Petitioner's access to the Company's plant in the Borough ("Petition") in Docket No. CC23030139. In response to the Petition, Madison alleged that CSC TKR had failed to provide free services to several municipal properties. The Board issued an Order on June 29, 2023, requiring that CSC TKR provide the free services to the municipal properties, upon being provided with access to its plant.

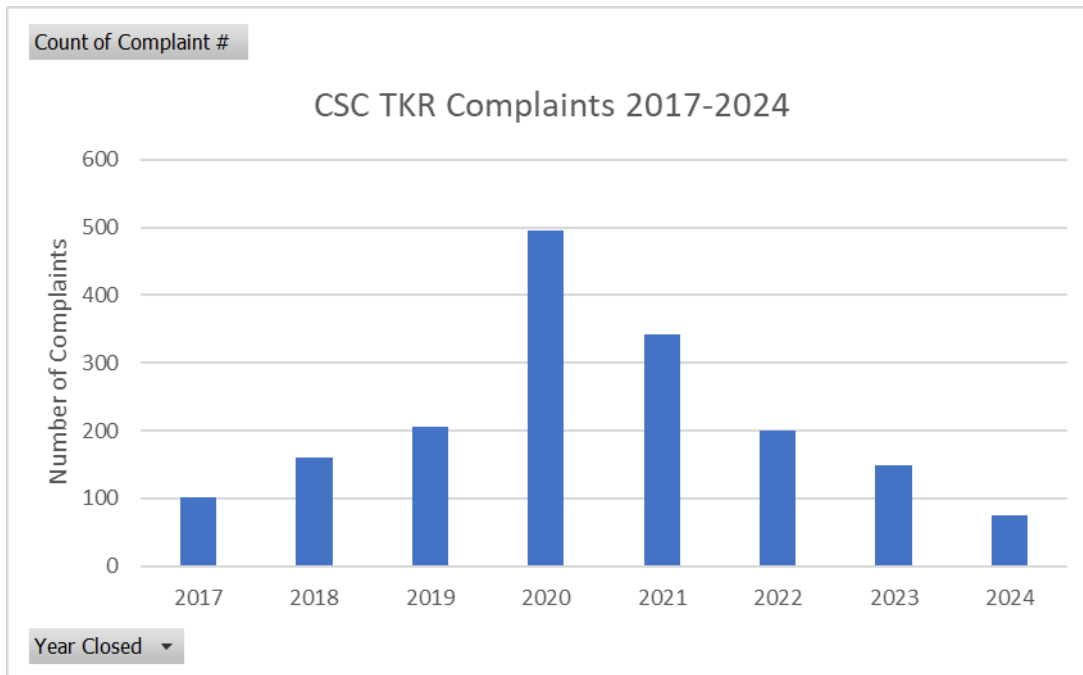
(n) – Consumer protection requirements

CSC TKR, LLC is required under the State Act to meet any consumer protection requirements under the Board’s regulations.

CSC TKR, LLC reports: *CSC TKR has substantially complied with all consumer protection obligations under applicable law, as required by N.J.S.A.*

48:5A-28(n). Among these, CSC TKR abides by the minimum customer service and consumer protection standards in the OCTV&T regulations. Further, CSC TKR provides required “complaint officer” notifications, and maintains a required local business office, of which there are currently four, located at: 339 US-202 #206, Bridgewater, NJ 08807; 368 RT10 W, East Hanover, NJ 07936; 536 North Broad Street, Elizabeth, NJ 07208; and 825 Route 33, Block Plaza, Hamilton, NJ 08619.

Discussion: Pursuant to N.J.S.A. 48:5A-26(c), the OCTV&T is the designated complaint officer for all converted municipalities under CSC TKR, LLC’s system-wide cable television franchise. The OCTV&T has received a total of 1,730 complaints for the CSC TKR, LLC system during the seven (7) year franchise term to present.



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. However, it is noted that complaints have shown a decrease in the last two years, to post-pandemic levels.

CSC TKR, LLC's performance was impacted by several matters addressed by the Board during the franchise term:

- 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 reinstating BPU's cease and desist order, without prejudice. See In re the Alleged Failure of Altice USA, Inc., 253 N.J. 406 (2023). On remand at the Appellate Division, the entirety of BPU's cease and desist order against Altice was reinstated on June 30, 2023. See In re Altice USA, Inc., No. A-1269-19 (App. Div. June 30, 2023). On July 24, 2024, the Board issued its Order reinstating and clarifying the requirements that must be met by Altice in the cease and desist order.
- 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 numerous complaints and inquiries from at least ten (10) municipalities, including Hamilton Township, and several state legislators concerning various issues experienced by 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 was approved by the Board on January 10, 2024.

Conclusion: CSC TKR, LLC 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, CSC TKR, LLC 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, CSC TKR, LLC remedied the deficiencies discovered in its customer service platforms during the Board's investigation into CSC TKR, LLC's service quality initiated in 2021. The investigation resulted in a Stipulation of Settlement between the parties, which included CSC TKR, LLC'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 CSC TKR, LLC 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 CSC TKR, LLC'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.S.C. 546(d).

CSC TKR, LLC reports: *As required by law, CSC TKR 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 OCTV&T. Further, during the term of the franchise, CSC TKR has timely compiled and filed with the OCTV&T the annual customer complaint reports required by N.J.S.A. 48:5A-26.1.*

...

CSC TKR 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.

Discussion:

As enumerated above, CSC TKR, LLC's performance was impacted by several matters addressed by the Board during the franchise term.

- 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 reinstating BPU's cease and desist order, without prejudice. See In re Alleged Failure of Altice USA, Inc., 253 N.J. 406 (2023). On remand at the Appellate Division, the entirety of BPU's cease and desist order against Altice was reinstated on June 30, 2023. See In re Altice USA, Inc., No. A-1269-19 (App. Div. June 30, 2023). On July 24, 2024, the Board issued its Order reinstating and clarifying the requirements that must be met by Altice in the cease and desist order.

- In re Requests for an Investigation into the Operations of Altice USA, Inc. 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 numerous complaints and inquiries from at least ten (10) municipalities, including Hamilton Township, and several state legislators concerning various issues experienced by 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 was approved by the Board on January 10, 2024.

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

Additional information provided by CSC TKR, LLC

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

CSC TKR has provided residential and business subscribers with advanced cable television services, in addition to broadband internet, fixed voice and mobile services to service customers' communications needs. In New Jersey, CSC TKR provides all households and businesses passed by the Optimum network access to the full Optimum cable programming suite and high-speed broadband plans. CSC TKR has made 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. Customers passed by the network have access to cable television, high-speed broadband, voice and mobile products.

CSC TKR, together with its affiliates operating under the Optimum brand ("Optimum") has offered the following information regarding its products and services it provides:

Some highlights of CSC TKR/ Optimum products and services include:

- *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 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.*
- *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. Optimum is assisting customers impacted by cessation of the federal Affordable Connectivity Program, including ACP enrollees and other qualifying households in the Optimum footprint, by offering several low-cost internet plans including our \$25/month Optimum Advantage+ product providing 100 Mbps download speeds.*
- *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.⁷*

Next Steps

Pursuant to the Board’s rules, within ninety (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 Cablevision’s application to allow public comment.

⁷ While not all services listed are subject to the Board’s/OCTV&T’s review under CSC TKR’s system-wide cable television franchise, such products and services help to demonstrate the company’s desire to continue to meet its customers’ needs.

Attachment I

CSC TKR, LLC

System-wide Cable Television Franchise Municipalities

Attachment I

CSC TKR, LLC

System-wide Cable Television Franchise Municipalities

#	Municipality	County
1	Aberdeen Township	Monmouth
2	Allentown Borough	Monmouth
3	Bernards Township	Somerset
4	Bound Brook Borough	Somerset
5	Bridgewater Township	Somerset
6	Chatham Borough	Morris
7	Denville Township	Morris
8	Dover Town	Morris
9	East Hanover Township	Morris
10	Elizabeth City	Union
11	Florham Park Borough	Morris
12	Hamilton Township	Mercer
13	Hanover Township	Morris
14	Highland Park Borough	Middlesex
15	Keansburg Borough	Monmouth
16	Keyport Borough	Monmouth
17	Madison Borough	Morris
18	Manville Borough	Somerset
19	Matawan Borough	Monmouth
20	Milltown Borough	Middlesex
21	Mine Hill Township	Morris
22	Morris Plains Borough	Morris
23	Morris Township	Morris
24	Morristown Town	Morris
25	New Brunswick City	Middlesex
26	Randolph Township	Morris
27	Raritan Borough	Somerset
28	Rockaway Borough	Morris
29	Rockaway Township	Morris
30	Somerville Borough	Somerset
31	South Bound Brook Borough	Somerset
32	Union Beach Borough	Monmouth
33	Victory Gardens Borough	Morris
34	Warren Township	Somerset
35	Watchung Borough	Somerset
36	Wharton Borough	Morris

Attachment II

CSC TKR, LLC

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

July 22, 2024

Initial Comments of CSC TKR, LLC
In Support of the Renewal of its System-Wide Franchise

I. INTRODUCTION

CSC TKR, LLC (“CSC TKR” or the “Company”) submits the following comments in response to the June 20, 2024, request of the Office of Cable Television & Telecommunications (“OCTV&T”). In that request, OCTV&T seeks comment on CSC TKR’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, CSC TKR 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 11, 2010, CSC TKR notified the Board and the Borough of Allentown of its intention to convert its municipal consent-based franchise in that Borough to a system-wide franchise.¹ On February 11, 2010, the Board issued an Order acknowledging CSC TKR’s conversion of the Allentown franchise to a system-wide franchise, and establishing a seven-year

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…… ”)

franchise term, expiring on January 11, 2017.² On eight separate subsequent occasions, CSC TKR added several additional communities to the system-wide franchise, and the Board approved each of these additions.³ CSC TKR's system-wide franchise was subsequently renewed for a seven-year term effective March 4, 2017.⁴ CSC TKR now serves 36 communities in New Jersey pursuant to its system-wide franchise.⁵

On May 11, 2021, CSC TKR sent the Board a notice of its intention to seek a renewal of the system-wide franchise.⁶ OCTV&T subsequently invited CSC TKR to comment on its performance and to assess how it will meet the future needs of the communities in the franchise area.⁷ As set forth below, CSC TKR 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 communities within the system.

² *In the Matter of CSC TKR, LLC for the Conversion to a System-Wide Franchise in the Borough of Allentown*, Order, BPU Docket No. CE10010024, (February 11, 2010).

³ *In the Matter of the Application of CSC TKR, LLC for the Renewal of its System-Wide Cable Television Franchise*, BPU Docket No. CE16090920, (Dec. 19, 2017) memorializing the automatic conversion of the municipal franchises in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick to CSC TKR, LLC's system-wide cable television franchise, (providing an overview of each occasion on which the Board acknowledged and approved CSC TKR's addition of municipalities to the system-wide franchise area).

⁴ *In the Matter of the Application of CSC TKR, LLC for the Renewal of its System-Wide Cable Television Franchise*, BPU Docket No. CE16090920, (Feb. 22, 2017)

⁵ The 36 communities are: Boroughs of Allentown, Bound Brook, Chatham, Florham Park, Highland Park, Keansburg, Keyport, Madison, Manville, Matawan, Milltown, Morris Plains, Raritan, Rockaway, Somerville, South Bound Brook, Union Beach, Victory Gardens, Watchung and Wharton; Cities of Elizabeth and New Brunswick, Town of Morristown, and the Townships of Aberdeen, Bernards, Bridgewater, Denville, Dover, East Hanover, Hamilton, Hanover, Mine Hill, Morris, Randolph, Rockaway and Warren. In addition, CSC TKR continues to serve 50 other municipalities pursuant to municipal consent-based franchises granted to the Company by each of those communities.

⁶ *Letter to Board Secretary Aida Camacho-Welch from CSC TKR Senior Director, Government Affairs Marilyn D. Davis* (May 11, 2021); 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).

⁷ *Letter to CSC TKR Manager, Government Affairs Aeisha N. Hayward from Director Lawanda R. Gilbert*, (Jun. 20, 2024).

III. ASSESSMENT OF CSC TKR'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.⁸ 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.⁹ CSC TKR’s renewal proceeding is limited to a determination of whether CSC TKR’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.¹⁰ 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-28.¹¹

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.¹² By virtue of CSC TKR’s lawful operation under the prior municipal consent franchises approved by the Board, and CSC TKR’s automatic conversion of these franchises to a system-wide franchise pursuant to N.J.S.A 48:5A-25.1,¹³ CSC TKR has previously met, and

⁸ See P.L. 2006, c. 83.

⁹ *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).

¹⁰ *Id.* (quoting N.J.S.A. 48:5A-16(f)); *see also* N.J.A.C. 14:18-14.9.

¹¹ *See* N.J.A.C. 14:18-14.17.

¹² *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.”).

¹³ *See* note 3, above, for the complete list of communities converted by CSC TKR from municipal consent franchises to the system-wide franchise pursuant to N.J.S.A 48:5A-25.1.

continues to meet, the obligations of N.J.S.A. 48:5A-17, and it will affirm its willingness to continue to do so in its application.

While CSC TKR'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 CSC TKR's assessment that it is in substantial compliance with all statutory and regulatory obligations of a system-wide franchisee. Further, CSC TKR herein provides for informational purposes additional information for the Board's benefit, to give perspective on the wide range of services CSC TKR provides to subscribers in the franchise area.

A. Company Background

CSC TKR, 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.¹⁴

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.¹⁵ CSC TKR continues to develop innovative and desirable packages to meet its customers' 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 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

¹⁴ CSC TKR 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 Board's review of whether CSC TKR meets the legal qualifications for a renewal of its systemwide cable franchise.

¹⁵ 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).

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.

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 Wi-Fi. Optimum is assisting customers impacted by cessation of the federal Affordable Connectivity Program, including ACP enrollees and other qualifying households in the Optimum footprint, by offering several low-cost internet plans including our \$25/month Optimum Advantage+ product providing 100 Mbps download speeds.¹⁶

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.

¹⁶ Optimum Advantage+ Internet Plan, <https://www.optimum.com/advantageplus>

B. Performance Under the Existing Franchise

For the purposes of assessing CSC TKR's performance during the current franchise term, the review period at issue runs from March 4, 2017 to the present.¹⁷ CSC TKR's franchise area consists of fully built-out communities converted to a system-wide franchise.¹⁸ The Company provides state-of-the art cable service (along with other advanced services) throughout its entire service footprint.¹⁹ Moreover, CSC TKR has at all times materially complied with the obligations imposed upon system-wide franchisees:

Service Availability.²⁰ CSC TKR or its predecessors have provided cable service to some of the communities in the system-wide franchise area since the late 1970s. Today, CSC TKR delivers cable service and other advanced digital services by maintaining hundreds of miles of plant passing tens of thousands of homes throughout the 36 communities in the franchise area. CSC TKR 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, CSC TKR 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

¹⁷ 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).

¹⁸ 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)).

¹⁹ 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).

²⁰ See N.J.S.A. 48:5A-25.2(2)-(4).

the calendar year of the report, and such records are available for inspection by staff of the OCTV&T.²¹ Further, during the term of the franchise, CSC TKR has timely compiled and filed with the OCTV&T the annual customer complaint reports, required by N.J.S.A. 48:5A-26.1.

Line Extension. Through its municipal consent franchises, CSC TKR 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, CSC TKR is in compliance with the required line extension obligations.

Community Programming and Service. Pursuant to N.J.S.A. 48:5A-28(i) CSC TKR 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).

CSC TKR 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, CSC TKR provides free basic video service and free Internet service within each of the communities in the system-wide franchise area. Where requested, CSC TKR 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.

CSC TKR 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.

²¹ See N.J.A.C. 14:18-6.7.

Consumer Protection. CSC TKR has substantially complied with all consumer protection obligations under applicable law, as required by N.J.S.A. 48:5A-28(n). Among these, CSC TKR abides by the minimum customer service and consumer protection standards in the OCTV&T regulations.²² Further, CSC TKR provides required “complaint officer” notifications, and maintains a required local business office, of which there are currently four, located at: 339 US-202 #206, Bridgewater, NJ 08807; 368 RT10 W, East Hanover, NJ 07936; 536 North Broad Street, Elizabeth, NJ 07208; and 825 Route 33, Block Plaza, Hamilton, NJ 08619.²³

Franchise Fees. Pursuant to N.J.S.A. 48:5A-30(d), CSC TKR pays a franchise fee in the amount of 3.5% to each of the municipalities 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, CSC TKR 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.²⁴

CSC TKR 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.

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²² See N.J.A.C. 14:18-3.1 through 3.27

²³ See N.J.S.A. 48:5A-26.

²⁴ CSC TKR 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 CSC TKR’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 4, 2017 to the present), CSC TKR 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 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, CSC TKR 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 CSC TKR 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, CSC TKR has fulfilled its obligations under its existing system-wide franchise and will continue to meet the needs of the communities on a going-forward basis through its continued adherence to its obligations. CSC TKR 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 CSC TKR a renewal of its system-wide franchise.

EXHIBIT A

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

MUNICIPALITY	PEG CHANNELS IN USE
Aberdeen	1
Allentown	1
Bernards	2
Bound Brook	1
Bridgewater	1
Chatham	1
Denville	1
Dover	1
Elizabeth	0
East Hanover	1
Florham Park	1
Hamilton	1
Hanover	1
Highland Park	1
Keansburg	1
Keyport	1
Madison	1
Manville	1
Matawan	1
Milltown	1
Mine Hill	1
Morris Plains	1
Morris	1
Morristown	1
New Brunswick	1
Randolph	1
Raritan	1
Rockaway Borough	1
Rockaway Township	1
Somerville	2
South Bound Brook	1
Union Beach	1
Victory Gardens	1
Warren	1
Watchung	1
Wharton	1

*Data current as of July