



Agenda Date: 5/25/16
Agenda Item: 3C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS

IN THE MATTER OF THE ALLEGED FAILURE OF CSC)
TKR, LLC 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.)
ORDER ACCEPTING OFFER)
OF SETTLEMENT)
DOCKET NO. CO16050416)

Parties of Record:

Sidney A. Sayovitz, Esq., Schenck, Price, Smith & King, LLP, on behalf of CSC TKR, LLC

BY THE BOARD:

CSC TKR, LLC itself and through the Cablevision Cable Entities¹ (referred to collectively as "Cablevision") owns and operates certain cable television systems in the State of New Jersey pursuant to N.J.S.A. 48:5A-1 et seq. Cablevision's cable systems provide cable television services in municipalities in Bergen, Essex, Hudson, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren counties.

The Board's Office of Cable Television and Telecommunications (hereinafter "OCTV&T" or "Office") uncovered a number of apparent deficiencies during the course of a compliance review conducted as part of its review of a pending petition, Docket No. CM15111255, wherein Altice N.V. ("Altice"), Cablevision Systems Corporation and Cablevision Cable Entities are seeking approval of the transfer of control of the Cablevision Cable Entities to Altice. The Office alleged that Cablevision was not conforming to certain provisions of the New Jersey State Cable Television Act, N.J.S.A. 48:5A-1 et seq. ("Act") and the Regulations promulgated thereunder, N.J.A.C. 14:18-1.1 et seq., as more specifically set forth in Attachment 1 (Schedule of Alleged

¹ The term "Cablevision Cable Entities" refers collectively to the CSC TKR, LLC and its subsidiaries that hold cable franchises in New Jersey. These entities are as follows: Cablevision of Hudson County, LLC; Cablevision of Monmouth, LLC; Cablevision of New Jersey, LLC; Cablevision of Newark; Cablevision of Oakland, LLC; Cablevision of Paterson, LLC; Cablevision of Rockland/Ramapo, LLC; Cablevision of Warwick, LLC; and CSC TKR, LLC. CSC TKR, LLC does business as Cablevision of Elizabeth, Cablevision of Hamilton, Cablevision of Morris and Cablevision of Raritan Valley.

Violations). The aforementioned statutes and regulations require that all cable systems in New Jersey operate in a manner that protects the rights of the cable consumer.

As a result of correspondence, telephone conversations and settlement conferences between Cablevision and the OCTV&T, on May 12, 2016, Cablevision submitted an Offer of Settlement ("Offer") concerning the non-conforming practices outlined on the attached schedule of the alleged violations. In the Offer of Settlement submitted by Cablevision, Cablevision did not admit to any violations and made a monetary offer in the amount of \$90,000.00 in order to resolve all issues concerning the violations alleged by the Office. Specifically, Cablevision agreed to pay \$90,000.00 in full settlement of any and all violations or potential violations of the Act and the Regulations, which have been or could have been alleged by the Board or the Staff against Cablevision or its parents, affiliates, subsidiaries, or successors, up to and including December 31, 2015.²

The Board has reviewed the matter and **HEREBY FINDS** that the Offer represents a reasonable settlement of the alleged violations. Therefore, the Board **HEREBY ACCEPTS** the Offer of Settlement proffered by Cablevision subject to the following conditions:

1. Cablevision shall tender \$90,000.00, payable to Treasurer, State of New Jersey within fifteen (15) days of the effective date of the Board Order accepting the Offer of Settlement.
2. Cablevision, its parents, affiliates, subsidiaries, successors or assigns, shall provide, on an on-going basis, proofs, in the form of a true copy of notices and verified proofs of mailing, to the Office that all required quarterly and annual notices were sent to customers on the earlier of thirty (30) days of the completion of such notices or ten (10) days following the end of the quarter or annual period for which the notice was sent in accordance with N.J.S.A. 48:5A-26(c), N.J.A.C. 14:18-3.5 and N.J.A.C. 14:18-3.18. This requirement is consistent with the Board's prior Orders in Docket Nos. CO03090707, CX05040335, CO07080635 and CO09080600.
3. Cablevision, its parents, affiliates, subsidiaries and successors shall provide verified proof, including, where appropriate, certifications of continued compliance, to the Office no later than July 25, 2016, that appropriate corrective action was implemented as of the date of its Offer of Settlement to ensure that:
 - a. Cablevision files notice with the Office and notifies its customers and affected municipalities of alternations in its channel allocation for deletions or cutbacks in services at least thirty (30) days prior to the effective date, as required by N.J.A.C. 14:18-3.17(a), (b) and (c).

² Should there be any conflict between this summary of the Offer of Settlement and the Offer of Settlement itself, the terms of the Offer of Settlement control, subject to the findings and conclusions in this Order.

- b. Cablevision provides an annual notice of all monthly service packages and corresponding rates according to the customer's billing classification, as required by N.J.A.C. 14:18-3.18(a)1.
- c. Cablevision files with the Office its periodic telephone system performance reports within the appropriate timeframe, as required by N.J.A.C. 14:18-7.7(c).
- d. Cablevision ensures its customers have adequate access to personnel so that customer phone calls are answered within the thirty (30) second hold time as required by 47 C.F.R. § 76.309(c) and N.J.A.C. 14:18-7.8(a)2.
- e. Cablevision complies with all terms and conditions of Orders and directives issued by this Board and the Director as required by N.J.S.A. 48:5A-9.

The Office will monitor Cablevision or its successor's future notice and filing requirements and procedures as set forth in the State Cable Television Act and the New Jersey Administrative Code.

The Board's acceptance of the Offer of Settlement is for purposes of this proceeding only, addresses any and all allegations or potential allegations in the Offer of Settlement, and shall not be construed as limiting the Board's authority in any other matter affecting Cablevision or a successor company or operator. Cablevision's obligations arising from the Offer of Settlement shall be binding on its parents, affiliates, subsidiaries and successors.

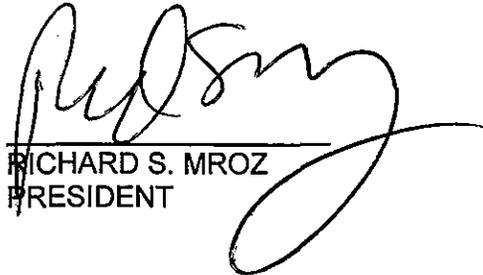
For purposes of assessing penalties for future offenses by Cablevision, its parents, affiliates, subsidiaries and successors that may now or in the future operate the cable television system that is the subject of the Offer of Settlement, such future offenses shall be within the range permitted for violations under N.J.S.A. 48:2-42 and shall be considered second, third or subsequent offenses for violations, in accordance with N.J.S.A. 48:5A-51(b).

The Offer of Settlement also does not include, and shall not have an impact upon, any party's allegations or claims as they apply to alleged violations of New Jersey's Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. To the extent that there is a potential for liability on the part of Cablevision, its parents, affiliates, subsidiaries, and successors, as a result of alleged Underground Facility Protection Act violations, that liability will remain subject to enforcement or other Board appropriate action.

This Order shall be effective on June 4, 2016.

DATED: *May 25, 2016*

BOARD OF PUBLIC UTILITIES
BY:



RICHARD S. MROZ
PRESIDENT



JOSEPH L. FIORDALISO
COMMISSIONER



MARY-ANNA HOLDEN
COMMISSIONER

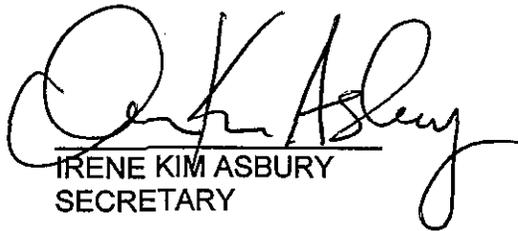


DIANNE SOLOMON
COMMISSIONER



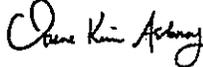
UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:



IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities



IN THE MATTER OF THE ALLEGED FAILURE OF CSR TKR, LLC 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. CO16050416

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**ATTACHMENT 1
SCHEDULE OF ALLEGED VIOLATIONS**

OFFER OF SETTLEMENT

DOCKET NO. CO16050416

1. Cablevision failed to file notice with the Office and notify its customers and affected municipalities of alternations in its channel allocation for deletions or cutbacks in services at least thirty (30) days prior to the effective date as required by N.J.A.C. 14:18-3.17(a), (b) and (c) in 2009.
2. Cablevision failed to provide an annual notice of all monthly service packages and corresponding rates available according to the customer's billing classification as required by N.J.A.C. 14:18-3.18(a)1 in 2013, 2014 and 2015.
3. Cablevision failed to file with the Office in a timely manner periodic telephone system performance reports as required by N.J.A.C. 14:18-7.7(c) beyond the required time for the second quarter of 2015.
4. Cablevision failed to comply with the FCC Customer Service Standard requiring that a customer's wait time shall not exceed thirty (30) seconds from when the connection is made, pursuant to 47 C.F.R. §76.309(c) and N.J.A.C. 14:18-7.8(a) 2 for the second quarter of 2009, first quarter of 2013, second quarter of 2014 through first quarter of 2015, and third quarter of 2015 through fourth quarter of 2015.

IN THE MATTER OF THE ALLEGED)
FAILURE OF CSC TKR, LLC)
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.)

OFFER OF SETTLEMENT

Docket No. CO16 050416

WHEREAS, CSC TKR, LLC, itself and through the Cablevision Cable Entities¹ (referred to collectively as "Cablevision"), owns and operates certain cable television systems as that term is defined in N.J.S.A. 48:5A-3(d), in the State of New Jersey, pursuant to applicable State and Federal law, and such cable systems provide cable television services in the State of New Jersey; and

WHEREAS, Cablevision is subject to the jurisdiction of the Board of Public Utilities (the "Board") and the Office of Cable Television and Telecommunications ("OCTV&T"), within the Board, pursuant to the provisions of the New Jersey Cable Act, N.J.S.A. 48:5A-1 et seq. (the "Act"), and the New Jersey Administrative Code, N.J.A.C. 14:17-1.1 et seq., and N.J.A.C. 14:18-1.1 et seq. (the "Regulations"); and

WHEREAS, New Jersey cable television companies are required to comply with provisions of the Act, the Regulations and duly promulgated orders and directives of the Board and Director of the Office; and

WHEREAS, the OCTV&T has conducted an investigation with regard the Cablevision's compliance with the Act and the Regulations; and

WHEREAS, as a result of said investigation, the OCTV&T has alleged that certain obligations imposed upon Cablevision under the Act and the Regulations were not timely met and/or that Cablevision has failed to adequately comply with certain provisions of the Act and/or the Regulations; and

WHEREAS, the OCTV&T has alleged that Cablevision has failed to comply with:

- (a) requirements pertaining filings and notices to be submitted to the Board and notices to be provided to customers and affected municipalities;

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(b) requirements pertaining to reports to be submitted to the Board;

(c) requirements pertaining to customer service standards; and

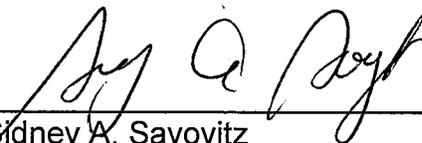
WHEREAS, while Cablevision disputes some or all of the OCTV&T's allegations, it nevertheless wishes to amicably resolve the issues raised by the OCTV&T without the need for time-consuming and expensive litigation;

NOW, THEREFORE, Cablevision submits this Offer of Settlement as follows:

1. Cablevision will pay to the State of New Jersey the sum of Ninety Thousand Dollars (\$90,000.00) in full settlement of any and all violations or potential violations of the Act and the Regulations, which have been or could have been alleged by the Board or the Staff against Cablevision or its parents, affiliates, subsidiaries, or successors, up to and including December 31, 2015.
2. This Offer of Settlement does not include, and shall not have an impact upon, any party's allegations or claims, as they apply to the alleged violations of New Jersey's Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. To the extent that there is a potential for liability on the part of Cablevision or its parents, affiliates, subsidiaries, or successors, as a result of alleged violations of New Jersey's Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq., if any, it will remain subject to enforcement or other appropriate Board action.
3. This Offer of Settlement shall not relieve Cablevision or its parents, affiliates, subsidiaries, or successors, from any liability for violations, if any, of the Act or the Regulations that may occur after December 31, 2015.
4. Any future repeated violation(s) of the Act or the Regulations by Cablevision or its parents, affiliates, subsidiaries, or successors that may now or in the future operate the cable television systems that are the subject of this Offer of Settlement, shall be deemed to be a second, third or subsequent violation, as appropriate, pursuant to the provisions of N.J.S.A. 48:5A-51(b), for the purpose of determining the amount of any applicable penalty.
5. Cablevision agrees to take the following actions: Going forward, it will endeavor to:
 - (a) file notice with the Office and notify its customers and affected municipalities of alternations in its channel allocation for deletions or cutbacks in services at least

thirty (30) days prior to the effective date as required by N.J.A.C. 14:18-3.17(a), (b) & (c);

- (b) provide an annual notice of all monthly service packages and corresponding rates available according to the customer's billing classification as required by N.J.A.C. 14:18-3.18(a)1;
 - (c) file with the Office its periodic Telephone System Performance reports, within the appropriate timeframe, as required by N.J.A.C. 14:18-7.7(c);
 - (d) comply with Federal Communications Commission and State telephone customer service standards as set forth in 47 C.F.R. §76.309(c) and N.J.A.C. 14:18-7.8(a) (2) and 3; and
 - (e) comply with all terms and conditions of Orders and directives issues by the Board and the Director as required by N.J.S.A. 48:5A-9.
6. The execution of this Offer of Settlement shall neither be deemed an admission by Cablevision or its parents, affiliates, subsidiaries, or successors, of any violation of the Act or the Regulations, nor a determination by the Board or Staff that such a violation has occurred, nor shall Board approval of this Offer of Settlement be deemed a determination that a violation has occurred.
7. The execution of this Offer of Settlement shall not be relied upon by Cablevision or its parents, affiliates, subsidiaries, or successors in an attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act or the Regulations.



Sidney A. Sayovitz
Attorney for CSC TKR, LLC

Dated: May 11, 2016