

Fair Media Council

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223
Re: Case 15-M-0647

Dear Secretary Burgess:

Thank you for the opportunity to address this matter.

The sale of Cablevision has enormous consequences for the nearly 3 million people who live on Long Island; specifically, in Nassau and Suffolk counties. As you know, Cablevision grew up on Long Island and, along the way, Long Island grew up with Cablevision. That type of symbiosis makes this sale extraordinarily complex. In fact, the health and wellbeing of Long Island and its residents rests squarely in the hands of your Commission, and the decisions you are about to make regarding ownership by Altice.

Therefore, out of respect for your time, please allow me to address the major points:

1. Long Island has been ignored by Altice. Altice has not met with Long Island business and/or community leaders as it has in other areas of Cablevision's footprint. How can that be, when Long Island is home to its headquarters? The message this sends to this community is not only one of disrespect, but it also offers tremendous insight of what to expect from the company in the future. This important step is widely regarded as common practice on Long Island, and a key indicator of an organization's concern for the public interest.
2. Cablevision has kept Long Islanders in the dark on this transaction. As the owner of News12 Long Island and Newsday, the only 24-hour cable news channel and daily newspaper, respectively, on Long Island, this issue has not been covered to enable viewers, readers and future customers of Altice insight into the company, what it stands for and what to expect. How can Altice be expected to serve the public interest when the public, by and large, has been kept in the dark? I spoke about the sale of Cablevision to 400 business and community leaders in April – few knew of a pending sale; the majority were appalled by the lack of information the community had received on the topic.
3. This is a monopolized news market. Cablevision is the main provider of news (as mentioned above), yet nowhere does Altice address what will become of the future of these news outlets. This isn't simply about creating and disseminating news. News and information on an island susceptible to major weather events -- such as the most recent and devastating Superstorm Sandy and Hurricane Irene – mean Altice will be responsible for providing news in emergency situations. Nothing has been mentioned on this issue and it is simply too important not be addressed in conditions set forth by the Commission. New Jersey has addressed this issue on this matter; how could it possibly be ignored for Long Island?

4. Cablevision has a monopoly on the communications infrastructure on Long Island. The 'competitive marketplace' repeatedly mentioned in Altice filings does not apply to Long Island. There are areas of Long Island where Cablevision, and only Cablevision, provide cable. Such as within the Town of Brookhaven, for instance. And while there are satellite providers, prior rulings by your Commission have found satellite not to be a true competitor to cable. Further, the monopoly enjoys a 100 percent penetration rate, so there is nowhere for Altice to 'grow' cable on Long Island. What we have is an aging infrastructure that is responsible for providing an overwhelming number of Long Islanders with cable, voice and internet services. It needs not only to be maintained (which will mean significant cost to a company with enormous debt), it needs to be able to withstand hurricane conditions. Now, it is true that governments do play a larger role in emergency communications than in the past; but that is not, and cannot be, a substitute for news coverage and information dissemination. And, as mentioned in the latest comments filed by Sen. Phil Boyle, our barrier islands must be given first priority in the deployment of a superior communications infrastructure in order to keep our public safe. The urgency and necessity of this situation cannot be overstated.
5. Cablevision remaining headquartered on Long Island is vital to our local economy and job base. Nowhere does Altice state its intention to keep the company on Long Island. It simply says, 'New York.' To move headquarters will be cause for monumental job loss, due to Long Islanders' inability to commute to other areas of New York. While the Commission has recommended maintaining job levels, I highly recommend clarity as to whether or not employee turnover is assumed in those numbers.
6. The promise of low-cost broadband is vague, at best. Who is eligible, and what is the criteria? This may not be a 'one-size-fits-all' solution. Please provide much-needed transparency on this issue.
7. The promise to maintain community support is also vague. Organizations that have written in support of Altice taking over Cablevision (again, note they have had no exposure to what Altice is about due to a near-blackout of the topic by our mainstream media) have done so anticipating support will remain the same, according to the language within those letters. Altice has not addressed this issue in any meaningful way. Further, if Altice decided to cut charitable funding to nonprofit organizations on Long Island, such a decision has the potential to cause nonprofits to close or layoff staff. What assurances can be made to the community at large?
8. Cablevision provides free service to schools and libraries throughout Long Island and its entire footprint. If Altice were to end these services, the trickle-down effect of such a decision would result in raising school taxes to cover the cost. Has the Commission thoroughly vetted this hot-button issue with Altice?
9. The issue of customer service, as treated by Altice, is actually confusing. On one hand, it touts Cablevision's high customer satisfaction ratings. On the other hand, Altice claims it will be able to create cost efficiencies by improving customer service – the very same customer service that's already an industry standard. It also notes that much needs to be invested in the operations to streamline services. Clarity to eliminate this contradiction is highly urged.
10. Last, and certainly not least, Altice has continuously taken issue with the concept of local, state and federal regulation and being held accountable. In its latest filing, the closing is devoted to explaining to the Commission how the Commission has limited to no authority in this matter. It's an interesting technique for a company seeking entrance to a market. Moreover, this must be

addressed, in particular, for the sake of the 110 franchise agreements Long Island towns and villages currently have with Cablevision.

In summation, the filings by Altice rely only on theory -- not application -- and past practices in markets that have limited insight and relevance to the incredibly diverse New York marketplace. The Commission held public meetings in a variety of communities on this topic; why didn't Altice? It not only would have provided priceless insight into what Cablevision is and does for the communities it serves; it would have fast-tracked Altice's understanding of the issues and the people they'll need to work with to make this transaction a true success; to make it one that serves the public interest, convenience and necessity. At the end of the day, I think we can all agree on that is what is needed, expected and demanded in this transaction.

I do hope I have provided the Commission with cause to set stringent conditions on this sale, as well as guidelines for consequences, should Altice fail to deliver on a plan for a market it has yet to meet.

Again, thank you for the opportunity to weigh in on this important media matter that is critical to the future of Long Island.

Respectfully yours,

Jaci Clement

Jaci Clement
CEO & Executive Director
jaci@fairmediacouncil.org
516-224-1860, ext. 701

About Fair Media Council

Since 1979, the Fair Media Council has served the public interest in media matters. It is one of the oldest and most successful media watchdogs in the country. More information is available at www.fairmediacouncil.org

Get Media Savvy.
1055 Stewart Ave., Bethpage, N.Y. 11714