



Michael E. Olsen
Senior Vice President,
Legal Regulatory and Legislative Affairs

August 11, 2011

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: MB Docket No. 09-168, In the Matter of Cablevision Systems Corporation's Request for Waiver of Section 76.630(a) of the Commission's Rules

Dear Ms Dortch:

In its January 8, 2010 Order in the above-mentioned proceeding,^{1/} the Federal Communication Commission ("Commission" or "FCC") instructed Cablevision Systems Corporation ("Cablevision") to submit periodic reports to the FCC regarding Cablevision's encryption of the basic tier in its New York City cable systems to aid in the Commission's assessment of the utility of the encryption rule.^{2/} The report must describe the number of customer complaints related to Cablevision's request for waiver, the number of set-top boxes and CableCARDS that were provided at no charge, the number of installations provided at no charge, the impact of the waiver on the reduction in truck rolls,

¹ *Cablevision Systems Corporation's Request for Waiver of Section 76.630(a) of the Commission's Rules, Memorandum Opinion and Order, MB Docket No. 09-168 (rel. Jan. 8, 2010).*

² *Id.* at ¶ 16.

and any further steps that Cablevision took in order to effectively manage the encryption process and the impact on Cablevision's customers.^{3/}

Pursuant to the Commission's Order, Cablevision submits the attached report containing results for the period commencing June 20, 2010 and ending July 22, 2011.

Cablevision encrypted the New York City systems on July 20 and July 22, 2010. As promised, Cablevision offered free set-top boxes and CableCARDS for the 30 days prior to and the 30 days following encryption. As indicated in our filing in the first report, there were no recorded complaints associated with that program, which – because most consumers already had set tops or CableCARDS in the all-digital NYC system – had minimal impact on our customers.

We began phasing in new operations to take full advantage of the encrypted system in October 2010 with a pilot program covering approximately 5,000 homes. In this pilot, we largely eliminated truck rolls for subscribers disconnecting their service. Since October 2010, overall approximately 80% of disconnects in this trial area have been handled remotely, without a truck roll, by disabling the account but leaving the drop active. As a result, as new customers take service in households where a prior disconnect was handled remotely and the drop left active, new service can be commenced without a professional truck roll. In the original 5,000 home pilot, the number of households eligible for remote reconnect rose to 64.2% by July 2011 as "truckless" disconnects accumulated, and new customers moved into units that could be reactivated without a new truck roll increased.⁴

Last month (July 2011), we expanded substantially the operational zone for "truckless" disconnects and reconnects. It now comprises approximately

³ *Id.*

⁴ Regardless of whether service is active at a customer premise due to a drop having been left active, any customer that wishes a professional installation can request one, instead of taking delivery of a box and performing a self installation. Thus, the number of households eligible for truckless reconnects includes households eligible for remote reconnection, even when customers may have sought professional installation. We expect that as customer expectations and habits change over time and we implement our new operations more broadly, the number of customers requesting professional installation appointments will drop substantially.

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401,000 households in the New York City franchise area, or about 1/3 of the total households in the New York City areas we serve. During the brief period in which this larger service area has been subject to the “no truckroll” operation prior to this report period, we eliminated an additional 2,366 truckrolls. 65.5% of all disconnects were performed remotely, without a truck roll.⁵ Based on this trend, we expect to eliminate about 5,000 disconnect truck rolls in the 401,000 household operations area in a year, and to increase the number to 135,000 to 150,000 eliminated disconnect truck rolls when the operation is implemented City wide.

I hope this information proves helpful. Please feel free to contact me at 516-803-2583 if you have any questions or I can be of further assistance.

Sincerely,



cc: Catherine Bohigian
William Lake
Chief, Media Bureau

⁵ Because the expanded operation began mid-month and the reporting period ends July 22, the expectation is based on extrapolating the results to the full month of July 2011. Based on our experience in the pilot area, we expect that truckless disconnects will exceed 70%, yielding an even higher reduction of truck rolls over time.

Excerpt from FCC Order on Reporting Requirements:

16. Finally, we believe that this waiver will provide an experimental benefit that could be valuable in the Commission's further assessment of the utility of the encryption rule, and in this regard, we require Cablevision, as a condition of the waiver, to provide the Commission with a 3-month, 6-month, and 12-month report describing the number of customer complaints related to this waiver, the number of set-top boxes and CableCARDS described above that were provided at no charge, the number of installations provided at no charge, the impact of the waiver on the reduction in truck rolls, and any further steps that it took in order to effectively manage the encryption process and the impact on its customers. Their report shall be filed in the docket and provided to the Bureau at the 3, 6, and 12-month intervals from the date on which Cablevision encrypts its basic signal, or if the encryption is implemented over a period of time, then from the date on which the encryption was completed, or from 30 days after the first date of encryption, whichever comes sooner. We will continue to monitor the situation in New York City and reserve the right to revoke the waiver granted herein at any time if the public interest warrants such action. In addition, should the Commission address the encryption rule in a rulemaking, as requested by PK and MAP, Cablevision must come into compliance with any rules subsequently adopted.

Key Dates:

6/20/2010 Date of Customer Notification	7/22/2010 Reporting Start Date
7/20/2010 First Encryption Date	10/22/2010 Three-Month Report Period End Date
7/22/2010 Last Encryption Date	1/22/2011 Six-Month Report Period End Date
8/19/2010 30 Days From First Encryption Date	7/22/2011 Twelve-Month Report Period End Date

	Report Period:	3-Month	6-Month	12-Month
	From:	6/20/2010	6/20/2010	6/20/2010
	To:	10/22/2010	1/22/2011	7/22/2011
I. Customer Complaints:				
Number of Customer Complaints		0	0	0
II. Free Equipment:				
CableCARDS provided at no charge		0	0	0
Set-Top Boxes provided at no charge		734	739	739
III. Free Installation:				
Number of Installations provided at no charge		150	150	150
IV. Impact on Truck Rolls:				
Impact on reduction in truck rolls		0	159	2,763