



Written Comments of Cablevision Services Corporation

The Energy & Technology Committee

Senate Bill 890: AAC Telecommuting

House Bill 6426: AA Improving Broadband Access

February 17, 2009

Cablevision is pleased to have this opportunity to offer you our written comments on these two pieces of proposed broadband legislation. As one of the largest providers of broadband services in our state, Cablevision fully supports the goal of bringing broadband to all Connecticut residents and businesses, and our company has been a leader in bringing our state much closer to this goal. Our company participated in the Department of Public Utility Control's recent broadband study proceeding and we compliment that agency on taking a leadership role in examining this important issue.

Over the past decade Cablevision has made significant investments to build and upgrade its broadband network in this state. Today that network reaches more than 323,000 Connecticut homes, making broadband service available to every resident in our service area. Cablevision also offers free broadband service to every public and private school and public library in its footprint; over 160 local schools and over 20 public libraries have availed themselves of this service.

As your Committee begins to consider the issue of broadband availability in our state, it is important to recognize that our state is among the leaders in the nation in broadband availability. The Federal Communication Commission's latest broadband statistics showed 1.5 million high speed broadband lines were available in Connecticut. Of those 1.5 million lines, nearly 1 million were to residential subscribers. Moreover, the FCC reported 100% cable modem availability where cable television service was offered.

Cablevision is proud of its role as an integral part of Connecticut's success story. Cablevision provides the nation's fastest broadly deployed Internet service for the home and has the highest market penetration in the industry – approximately 55% of Connecticut homes passed by Cablevision's fiber-rich network subscribe to Optimum Online. All of Cablevision's residential and business customers are able to download programs or services from the Internet at speeds of up to 15 Mbps. Cablevision also offers all of its customers a product called "Boost" (for a modest additional fee) that provides them with increased download speeds of up to 30 Mbps and is available to all homes passed.

On an ongoing basis, Cablevision continues to make strategic upgrades and investments that enhance the broadband services that we offer to our residential and business customers. For example, several months ago we announced the launch of our new WiFi service in Connecticut. This new WiFi service offers all of our Optimum Online customers free access to the largest and most advanced WiFi network in the nation.

As demonstrated by our commitment to offering the best broadband services to our customers, Cablevision supports many of the goals that are reflected in these bills. However, we believe that your Committee should be guided by the following three principles to ensure that the critical balance that supports private investment in these services is maintained:

1. **Mapping**: Cablevision supports efforts to obtain an accurate assessment of broadband availability in the state, provided that any proprietary information submitted by broadband providers remains confidential. Without an accurate and comprehensive inventory of broadband availability, it is difficult to espouse policies to address the state's broadband needs.
2. **Focus on Unserved Areas**: The focus of state policy should be on areas where broadband is unavailable, not portions of the state that already have a broadband provider, to ensure that all Connecticut residents have access to broadband service and avoid penalizing or deterring investments.
3. **Technology and Provider Neutral**: Any incentive or subsidy for making broadband available where no service currently exists should be provider and technology-neutral, ensuring that the best available technology and service meets the needs of consumers.

Mapping

As the state seeks to craft appropriate broadband policies, it is important that we accurately identify the areas of the state where broadband is not available. It is equally critical however, that any legislation recognize that certain data -- especially subscription rates and information regarding plans for future broadband deployment -- are among a provider's most sensitive business information. Such data cannot be shared with competitors or the public, and its release could have a severe detrimental effect on the provider's competitive position. Any data collection provisions must ensure that any provider specific, proprietary information remains confidential, and is analyzed only in the aggregate.

Unserved Areas

As the state works to ensure that all residents have access to broadband service it must strive to avoid penalizing or deterring private broadband investments. As reflected in Connecticut's broadband success story, private investment and consumer demand have made Connecticut among the leaders in broadband availability. These private

investments in broadband were made at great financial risk, with no guarantee of success. Government focus on areas that already have a broadband provider could put these first entrants at a competitive disadvantage and discourage future investment. In addition, limited government resources are best used to bring broadband service to Connecticut residents who currently do not have access to it.

Technology and Provider Neutral

The state must recognize that government intervention to determine which technologies are most appropriate for broadband services would inevitably favor some market participants over others and would put government in the role of determining what viable technologies will be available in the future. Having programs or other assistance that are technology neutral will ensure that all types of broadband providers, including satellite, wireless, cable and wireline, will have the opportunity to expand into currently unserved parts of Connecticut, and that Connecticut residents continue to receive the benefits of a vigorously competitive broadband market.

Conclusion

In closing, Cablevision recognizes the important role that broadband service has in ensuring access to the product and services that enhance the quality of life of our state's residents and ensure that our businesses maintain their competitive edge in the global economy. The private investment by companies competing in the broadband market has brought significant benefits to Connecticut residents. In considering any legislation to ensure universal availability, the General Assembly should ensure that such programs target areas that are not currently served by broadband service and that the programs are technology neutral. This will ensure that everyone in the state has the opportunity to enjoy the economic and social benefits of broadband connectivity. Thank you again for this opportunity to offer our comments and we look forward to working with the Committee on this important issue in coming months.