



Department of Public Service

For Immediate Release: 12/17/20

John B. Rhodes, Chief Executive Officer

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYS DPS>

20107/15-M-0388

Spectrum Agrees to Remove 1,241 Ineligible Addresses from Buildout Plan

100 Consumers to Receive Connection Fee Refunds or Be Excluded from Buildout Count

ALBANY — The New York State Department of Public Service (Department), today announced that Charter Communications, Inc., doing business as Spectrum, has agreed to remove 1,241 ineligible addresses that Charter had claimed toward meeting its 145,000 passings requirement, and to refund 100 customers who paid a connection fee, or else remove those addresses as well.

“Internet service is critical for families and businesses during these difficult times, so we must get broadband coverage to where it’s needed,” **said Department CEO John B. Rhodes.** “Our staff is scrutinizing Spectrum’s compliance reports and performing field audits of their ongoing network expansion to ensure every address is eligible to count towards its regulatory obligation to serve an additional 145,000 homes and businesses in Upstate New York. If addresses are ineligible, they will be removed from the buildout plan making it possible for eligible unserved premises to be added.”

In a sharply worded letter to the company on Nov. 18, 2020, the Department’s Special Counsel for Ratepayer Protection, Rory I. Lancman, said Spectrum had failed to resolve issues raised by staff over a several month period. Special Counsel Lancman said unless Spectrum removed ineligible addresses from its reports, he would seek an order to show cause from the Public Service Commission to resolve the issue.

In the resolution of the issue reached by staff, Charter agreed to:

- Permanently remove 773 addresses from its plan that were not within franchise areas at the time of the approval order;
- Permanently remove 412 addresses from its plan that overlap with areas already covered by the State Broadband Program Office’s grant program;
- Permanently remove 56 addresses from its plan that were found to have existing plan at the premises prior to the approval order, or data entry errors;
- Refund customer-funded contributions collected from 100 addresses that are included in its plan or else permanently remove them; and
- Correct all data entry errors in the plan such as duplicate addresses and mis-spelled street addresses that make compliance auditing more challenging.

In addition, staff clarified that 1,148 addresses in Charter's plan were eligible to count towards the Company's regulatory requirement.

Special Counsel Lancman said, "House-by-house, business-by-business, Governor Andrew M. Cuomo is committed to expanding broadband access to every corner of the state — every single address matters."

The Commission's 2016 approval of the Charter acquisition of Time Warner required Charter to extend its network to pass an additional 145,000 unserved and underserved residential housing units and/or businesses, and prohibited Charter from requiring the payment of a line extension fee (i.e., contributions-in-aid-of-construction or CIAC) for the expansion to any of those addresses. In a subsequent 2019 settlement agreement, approved by the Commission, the deadline to complete the network expansion was modified, and interim milestones and reporting requirements were established. The remaining milestones in Charter's buildout requirement are: 122,173 passings completed by January 31, 2021; 133,586 passings completed by May 31, 2021; and 145,000 passings completed by September 30, 2021.

Today's letter may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 15-M-0388 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.