

ERIC T. SCHNEIDERMAN ATTORNEY GENERAL TIM WU SENIOR ENFORCEMENT COUNSEL

October 23, 2015

SENT VIA OVERNIGHT MAIL AND FAX TO 516 803 2575

David Ellen Executive Vice President and General Counsel Cablevision Systems Corporation 1111 Stewart Avenue Bethpage, New York 11714

Re: New York Office of Attorney General Inquiry Concerning Broadband Internet

Speeds

Dear Mr. Ellen:

Through its Optimum program, Cablevision Systems Corporation ("Cablevision") advertises Internet plans to New York customers at upload and download speeds up to a specified rate of (*e.g.*, "50/25 Mbps"). It also advertises various premium options (like the Optimum Online Ultra program) whereby, for some higher monthly fee, the consumer is promised even higher speeds and better performance. For example, the higher priced "Ultra 101" home broadband service promises customers that they may download a 3 MB song in 0.2 seconds.¹

This Office is concerned that, for reasons substantially within Cablevision's control, consumers may not be experiencing the speeds advertised. We are also concerned that those paying for premium options (like "Ultra 50"), for various reasons, may not experience proportional increases in experienced speeds.

Our concerns can be placed in two groups. First, that the speeds made available over the last-mile (between the home and cable headend) may deviate far enough from the speeds

¹ Cablevision, *Optimum Online Ultra 101. Get our fastest internet access.*, http://www.optimum.com/home-internet-service/ultra101.jsp (last visited Oct. 23, 2015).

advertised to render the advertising deceptive. Second, that the impact of technical and business decisions made at the point of interconnection between Cablevision and other networks may so affect end-to-end throughput that the speeds are not what was promised. In this respect, we are specifically concerned about disruptions to the consumer experience caused by interconnection disputes, and also the possibility that interconnection arrangements may in some instances render irrelevant any benefit of paying for a "premium" option.

Pursuant to New York Executive Law § 63(12) and General Business Law Article 22-A, the Attorney General has the authority to commence legal action to enjoin deceptive, fraudulent or illegal business practices, and to obtain restitution, penalties and costs whenever a business is engaged in deception, fraud or illegality. The Attorney General is also authorized to issue subpoenas to assist him in investigating any activity that may be deceptive, fraudulent or illegal. Consequently, we are gathering information to enable us to make a determination of what action, if any, is warranted.

In connection with our inquiry into this matter, we request your cooperation in providing written responses to the requests below, as well as any supporting or specifically requested documents, by November 8, 2015. Following review of your responses and documents, we will invite you to our offices for a meeting to discuss Cablevision's marketing practices and services in connection with broadband speed.

Unless otherwise stated, the relevant time period for the requests listed below is from January 1, 2011 to the present.

Requests

A. General

- 1. On a month-by-month basis, how many New York Cablevision broadband customers has Cablevision had from January 1, 2011 to the present, broken down by levels of service (like "Ultra 50")?
- 2. Provide representative copies of all disclosures made to actual or potential Cablevision broadband customers concerning actual or expected Internet speeds since January 1, 2013.
- 3. For every broadband Internet plan offered by Cablevision, provide all substantiation for your claims that customers who purchase any broadband Internet plan will, in practice, experience the advertised download/upload Internet speeds. For example, for customers who purchase Cablevision's "Ultra 101" plan, provide all substantiation for your claim that such customers will experience download/upload speeds of "up to 101 Mbps." Include a discussion of the effect of interconnection arrangements on these claims.
- 4. Provide copies of all documents related to Cablevision broadband customer complaints related to discrepancies or perceived discrepancies between expected and actual Internet speeds, including but not limited to Cablevision's responses to

the complaints.

- 5. Provide all documents related to any analysis, study, survey, testing, or review of quality of experience, quality of service, or Internet speeds experienced by Cablevision broadband customers.
- 6. Provide all documents related to any training of Cablevision's employees, customer service representatives, spokespersons, or other agents with respect to representations and/or advertising regarding Cablevision's Internet speeds.

B. Last Mile

- 1. Provide documents sufficient to show last-mile broadband speeds experienced by Cablevision's New York State broadband customers, including but not limited to documents sufficient to show the speeds experienced by different classes of broadband customers during various times of the day, and documents sufficient to show last-mile broadband speeds experienced by Cablevision's New York State broadband customers expressed as a percentage of the maximum advertised speeds for the rate plan subscribed to by such customers.
- 2. Explain how Cablevision provisions or manages differently the last-mile bandwidth made available to differing levels of customers (such as an "Ultra 50" versus an "Ultra 101" customer) with respect to bandwidth, latency, or packet loss, or other performance characteristics. Provide any documents related to internal technical or business policies related to the last-mile difference between classes of customers.

C. Interconnection

- 1. Provide a list and produce a copy of all Internet interconnection agreements (and amendments), formal or informal, that Cablevision has entered into with any person (including content delivery networks, application providers, broadband Internet access service providers and Internet backbone service providers) that are currently in effect or were implemented at any time. Indicate which arrangements are settlement-free, and which are paid.
- 2. Identify each instance, since January 1, 2013, when an interconnection partner requested augmentation of interconnection capacity that you did not implement within ninety days; and describe why you did not augment capacity.
- 3. For each week since January 1, 2013, for your twenty-five largest interconnection partners, provide total throughput capacity, utilization metrics, packet loss records, and total traffic volume. Provide any measures of actual throughput speeds experienced by users through these partners.
- 4. Explain whether Cablevision's interconnection policies or agreements might differentially affect the experienced performance of different types of customers

(such as an "Ultra 101" versus an "Ultra 50" customer).

5. Describe and provide all documents sufficient to show the company's policies with respect to upgrading, declining to upgrade, or downgrading interconnections between the company and any person.

Please contact me at (212) 416-8262 if you have any questions. We look forward to hearing from you.

Sincerely,

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Tim Wu

Senior Enforcement Counsel