

STATE OF NEW JERSEY

Board of Public Utilities
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	OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS
IN THE MATTER OF IMPLEMENTATION OF EXECUTIVE ORDER 190 BY CABLE AND TELECOMMUNICATIONS SERVICE PROVIDERS) ORDER)) DOCKET NO. TO21010048

Parties of Record:

Elizabeth Murray, Sr. Director, Regulatory Affairs, Comcast Stan Barrett, Esq., on behalf of Charter Communications Paul Jamieson, Esq., VP, Government Affairs and Policy, Altice USA, Inc. Thomas C. Kelley, Esq., on behalf of Service Electric Cable TV of Hunterdon Richard C. Fipphen, Assistant General Counsel, Verizon New Jersey Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On April 13, 2020, Governor Philip D. Murphy issued Executive Order 126 ("EO 126"), which prohibited the disconnection of essential voice and internet services for residential customers for nonpayment during the declaration of the Public Health Emergency and State of Emergency due to the COVID-19 Pandemic ("Pandemic"). EO 126 also permitted the cable and telecommunications providers to implement downgraded internet and voice services pursuant to plans approved by the Board. Following the review of correspondence submitted by providers, the Board issued an Order on May 20, 2020 in Docket No. TO20040314 approving downgrade plans submitted by Comcast.¹

To continue to provide additional relief to New Jersey customers in light of the continued State of Emergency due to the Pandemic, on October 12, 2020, Governor Murphy issued Executive Order 190 (EO 190), extending a moratorium preventing New Jersey residents from having their residential gas, electric and water utilities disconnected through at least March 15, 2021. With respect to cable and telecommunications providers, the Internet and voice disconnection

¹ See Order, In the Matter of the Implementation of Executive Order 126 Prohibiting Cable and Telecommunications Providers from Terminating Internet and Voice Service, Docket No. TO20040314 (May 20, 2020).

moratorium was extended to November 15, 2020,² with a carve out for households that have one or more school-age children that may be using such service for educational purposes.³ Also, if a disconnected household experiences a change of circumstances where school age children will be using their home Internet service for school, the cable and telecommunications company will be required to reconnect that Internet service.⁴ Providers were also permitted to downgrade or reduce the quality of services offered to these households with school aged children pursuant to a Board approved plan.⁵

Prior to disconnection for nonpayment, cable and telecommunications providers were also required to offer to enroll customers with an already existing account in an interest free payment plan of at least 12 equal monthly installments, including any outstanding balance due and ongoing balances.⁶ Providers were prohibited from disconnecting service to residents as long as timely payments were made; and were also prohibited from assessing late fees, down payments or deposits.⁷ EO 190 also permitted cable and telecommunications providers to offer a combined payment and payment forgiveness plan, involving forgiveness of at least 50% of the outstanding principal, in lieu of a twelve-month payment plan, pursuant to Board Approval.⁸

On December 18, 2020, Altice USA, Inc. ("Altice") submitted a letter to the Board requesting approval of its compliance plan with EO 190, which included: 1) a 100% arrearage forgiveness program for customers with a past due balance of 90 days or more; 2) the offer of a 12 month repayment plan pursuant to EO 190 for customers with less than 90 days past due balance; a downgrade plan, where customers with school aged children would be enrolled in the Company's "Altice Advantage" Internet Plan, offering reduced rates for downgraded internet and voice services, in lieu of disconnection. Staff submitted informal questions to Altice, and Altice provided responses on January 15, 2021. On January 20, 2021, the Division of Rate Counsel ("Rate Counsel") submitted comments on Altice's filing, recommending the Board implement quarterly reporting requirements to be submitted to the Board and Rate Counsel with data on the plan including the number of customers enrolled in the Altice Advantage Internet Plan, and the number of customers included in the arrearage forgiveness plan.

On January 21, 2021, Board Staff submitted inquiries to all incumbent cable and telecommunications providers in the state, requesting information on their compliance with the provisions of EO 190, including: the offer of interest free 12 month payment plans and/or arrearage forgiveness plans; prohibition on disconnections of internet service to households with school aged children; and prohibitions on late fees, deposits or downpayments.

On January 28, 2021, Board Staff received responses to the inquiries from the following providers: 1) Altice, 2) Charter, 3) Comcast, 4) Service Electric Cable of Hunterdon, and 5) Verizon. All providers confirmed their compliance with the provision of EO 190, requiring continued internet service for households with school aged children. Most providers indicated that they had not engaged in disconnections of internet and voice services in most instances, and where disconnection had taken place, customers were offered the option of enrolling in the 12-month

² EO 190, ¶ 4

³ EO 190, ¶ 9

⁴ EO 190, ¶ 10

⁵ EO 190, ¶ 11

⁶ EO 190, ¶ 5

⁷ EO 190, ¶ 5-8

⁸ EO 190, ¶ 6

⁹ The Altice Advantage Internet Plan offers 30Mps at \$14.99 per month.

payment plans. Comcast indicated that it has maintained its downgrade plan, the Xfinity Assistance Plan, which was reviewed by the Board in its previous Order issued on the review of compliance with Executive Order 126. Altice was the only provider which implemented an arrearage forgiveness plan.

On February 11, 2021, Rate Counsel submitted supplemental comments to the Board, stating that the information submitted on January 28, 2021 by the providers in response to the Board's inquiries confirmed that they are complying with the parameters of EO 190. However, they renewed their recommendation in their January 20, 2021 comments that the Board should continue monitoring the service providers' compliance and institute the following quarterly reporting requirements:

- 1) the number of customers enrolled in service;
- 2) the number of customer accounts where the service tier has been changed;
- 3) the number of customer accounts in arrears, the number of days in arrears, and the amounts in arrears:
- 4) the number of customer accounts enrolled in an arrears repayment plan;
- 5) the monthly arrears repayment amount and the repayment duration time (i.e. 12-month arrear repayment plan or longer or shorter) per account in arrears;
- 6) the number of customer accounts granted arrears forgiveness and the arrear amount forgiven per account affected under this policy;
- 7) the number of customer accounts that would have been disconnected from service for nonpayment but for the moratorium on disconnections or other non-disconnection qualifying condition (i.e. household with school-aged children);
- 8) the number of disconnected customer accounts for nonpayment and non-eligibility under EO 190;
- 9) the number of reconnected customer accounts and reason for reconnection (i.e. forgiveness of arrears; payment of arrears; change in circumstances (school-aged children/college student); and
- 10) the number of planned disconnections, if any, in the upcoming quarter detailing the reason for disconnection.¹⁰

FINDINGS

Having reviewed the submissions filed by the above-referenced providers, the Board <u>HEREBY FINDS</u> that the policies outlined in their responses to the Board are within compliance of EO 190. Pursuant to EO 190, the Board <u>HEREBY APPROVES</u> the arrearage forgiveness plan and downgrade plan submitted by Altice.

¹⁰ Rate Counsel Comments, p.4.

The Board concurs with Rate Counsel's recommendation that reporting requirements are necessary to ensure continued compliance and therefore, <u>FURTHER ORDERS</u> that all cable and telecommunications service providers submit the following data to the Board and Rate Counsel within 14 days of the effective date of this Order:

- 1. Number of customer accounts past due broken down by 30 days, 60 days and 90 days for 2019 and 2020 for both residential and business customers, the total dollar amounts in arrears for each, and the percentage difference between 2019 and 2020;
- 2. Number of customer accounts enrolled in an arrears repayment plan, monthly arrears repayment amount and the repayment duration time (i.e. 12-month arrear repayment plan or longer or shorter) per account in arrears;
- 3. Number of customer accounts granted arrearage forgiveness, and amount forgiven per account;
- 4. Number of customer accounts that would have been disconnected from service for nonpayment but for the moratorium on disconnections or other non-disconnection qualifying condition (i.e. household with school-aged children);
- 5. Number of customer accounts enrolled in internet downgrade programs;
- 6. Number of customer accounts choosing to retain their services rather than enroll in internet downgrade programs;
- 7. Number of disconnected customer accounts for nonpayment and non-eligibility under EO 190;
- 8. Number of reconnected customer accounts and reason for reconnection (i.e. forgiveness of arrears; payment of arrears; change in circumstances (school-aged children/college student); and
- 9. Number of planned disconnections, if any, in the upcoming quarter detailing the reason for disconnection.

All parties are required to notify the Board of any changes in policy within 24 hours with respect to compliance with EO 190.

The Order is effective on February 26, 2021.

DATED: February 17, 2021

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Dida Camacho-Weld

AIDA CAMACHO-WELCH

SECRETARY

IN THE MATTER OF IMPLEMENTATION OF EXECUTIVE ORDER 190 BY CABLE AND TELECOMMUNICATIONS SERVICE PROVIDERS

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