



September 9, 2011

Hon. Jaclyn A. Brilling
Secretary to the Commission
New York State Public Service Commission
Agency Building 3
Albany, NY 12223-1350

Dear Ms. Brilling:

This letter is to advise that on September 4, 2011, the Tennis Channel ceased authorizing Cablevision to carry its network. (This letter follows our August 3 email advising the Commission of the possibility of the withdrawal of the programming.) The Tennis Channel had been available to all Cablevision subscribers as one of 34 channels on the iO Sports and Entertainment Pak on iO TV @ Channel 399 and iO TV Channel 795 (HD) in all Cablevision systems in New York for \$6.95 per month.

In addition to our regulatory notifications, customers that subscribe to the iO Sports and Entertainment Pak were notified in writing on August 3 of the possible interruption of the programming. Subscribers were subsequently notified of the Tennis Channel's withdrawal of the programming on September 4th by multiple means, including on-air notices.

As context for Tennis' Channel's withdrawal of the programming, Cablevision had been carrying the Tennis Channel for the last two years under a 2002 agreement between the programmer and the National Cable Television Cooperative (NCTC) – of which Cablevision is a member. That agreement allowed cable providers to carry the Tennis Channel on any tier, including sports tiers, so that customers who specifically wanted the specialized programming could agree to pay for and receive it. With the NCTC contract set to expire at midnight on Sept. 3, Cablevision earlier this year proposed to continue carriage of the Tennis Channel on its sports tier, the "iO Sports and Entertainment Pak." Consistent with industry practice, Cablevision also offered to keep carrying the Tennis Channel on this tier pending negotiations on a new contract.

The Tennis Channel refused to consider continued carriage on the sports tier and rejected Cablevision's offer for interim carriage pending further negotiations. At the conclusion of the NCTC deal, the Tennis Channel withdrew its signal from Cablevision and dozens of other providers across the country, depriving cable customers of its tennis-related programming during the U.S. Open, one of the year's marquee tennis events.¹

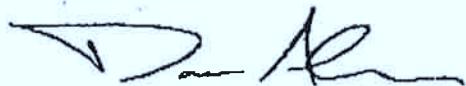
¹ *CableFax Daily*, No Tiers: Tennis Says Goodbye to Several NCTC Members, September 7, 2011.

For all members of the NCTC, the Tennis Channel is now insisting on carriage on a widely subscribed tier (i.e., digital basic tier), which is a significant departure from Cablevision's (and other multichannel video programming distributors')² historical carriage of the Tennis Channel. Digital basic carriage would substantially increase the cost to Cablevision's customers. Cablevision's proposal for continued sports tier carriage is a fair, reasonable, and non-discriminatory carriage term that should form the basis of any renewal agreement.

While we regret any inconvenience to our customers caused by the Tennis Channel's withdrawal of the programming, we note that Cablevision added eight channels to the iO Sports and Entertainment Pak this year alone, without increasing the subscription charge for this tier. In addition, every important U.S Open match is available to Cablevision customers on ESPN 2, CBS, in 3D and through the free online offerings of the United States Tennis Association, which can be viewed on the computer or TV through Cablevision's *Optimum Link* service (allowing subscribers to view items from their PC on their TVs). We further note that customers may downgrade or disconnect without charge and receive a pro-rated rebate for any prepaid amounts.

Should you have any questions, please do not hesitate to contact me at 516-803-3778 or by email dahouse@cablevision.com.

Sincerely,



Dan Ahouse
Vice President, Government Affairs for New York

cc: Municipalities

² For instance, It is our understanding that Time Warner Cable continues to carry the Tennis Channel on a sports tier.