

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on September 19, 2024

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 24-V-0305 - Petition of Adams CATV Inc. for Approval of a
Transfer of Control to Blue Ridge Cable
Technologies Inc.

ORDER APPROVING TRANSFERS

(Issued and Effective September 24, 2024)

BY THE COMMISSION:

INTRODUCTION

By petition filed May 17, 2024, Adams CATV Inc. (Adams) and Blue Ridge Cable Technologies Inc. (Blue Ridge) (collectively, the Petitioners) request Commission approval, pursuant to Public Service Law (PSL) §222, of the acquisition by Blue Ridge of all issued and outstanding stock of Adams (Transaction). As a result, Blue Ridge will obtain control of Adams' cable system assets, including its franchises and certificates of confirmations (Certificates), in New York.

By this Order, pursuant to PSL §222, the Commission finds that the proposed transaction is in the public interest and approves the transfers as discussed in more detail below.

BACKGROUND

Adams CATV, Inc.

Adams is a Pennsylvania corporation with its principal place of business located at 19 North Main Street, Carbondale, Pennsylvania 18407. Adams is a privately owned company with all shares of its capital stock being held by two of the founder's children, Douglas V. Adams and Deborah Adams Kutch. Adams operates predominantly in central and northeast Pennsylvania, and also in eight New York municipalities in Broome, Chenango and Delaware Counties in the Towns of Afton, Colesville, Deposit, Kirkwood, Sanford, and Windsor and the Villages of Deposit and Windsor (Municipalities). The Commission has issued Certificates to Adams for each of the cable television franchises granted by the Municipalities.¹ Adams offers traditional cable video, advanced video, Internet, and voice over Internet protocol (VoIP) services to its subscribers.

Blue Ridge Cable Technologies Inc.

Blue Ridge is a Pennsylvania corporation located at 613 Third Street, Palmerton, Pennsylvania 18071. Blue Ridge, a regional cable company serving central and northeastern Pennsylvania, has operated cable systems since its founding as the Palmerton TV Signal Corporation in 1950. It offers multichannel video, broadband Internet, VoIP phone, and security services to subscribers. As provided in the petition, Blue Ridge has invested in upgrading its systems and networks to the highest fully digital technical standards in order to maximize its subscribers' experience with technological innovation and customer service.

¹ A list of each Certificate, including the name of the municipality that granted the franchise and the date thereof, is attached herein as Attachment A.

PETITION

The Petitioners request Commission approval pursuant to PSL §222 to transfer control of Adams' New York cable systems, assets, Certificates, and cable television franchises to Blue Ridge through the proposed Transaction.²

The Petitioners state that the Transaction is in the public interest because it is expected to generate benefits for customers currently served by Adams. As stated in the petition, upon completion of the Transaction, a newly formed Blue Ridge-Adams contiguous service area is expected to produce economies of scale and scope and other efficiencies for Blue Ridge, which by extension will benefit Blue Ridge's customers, including Adams customers acquired in the Transaction.³ The Petitioners believe that these efficiencies will allow Blue Ridge to offer better options, lower prices, and higher quality service. Moreover, the Petitioners state that subscribers in the Adams communities will benefit from the availability of Blue Ridge's enhanced service offerings and advanced features (e.g., 24/7 network monitoring and enhanced battery backup) not previously offered by Adams.

The Petitioners further assert that the transfer of Certificates will be seamless to customers and will not result in the discontinuance, reduction, loss, or impairment of any services. In addition, Blue Ridge's technological capabilities will ensure that Adams customers will continue to receive the same or higher quality products and services that they currently enjoy, according to the Petitioners. In addition, as stated in

² Pre- and post-transaction organizational charts are attached herein as Attachment B.

³ In response to Department of Public Service (Department) interrogatories, the Petitioners state that Blue Ridge intends to continue Adams' cable operations under the Adams name.

the petition, Blue Ridge has significant managerial experience as a local, family-owned communications service provider and is focused on innovation, competition, customer service and service quality, which will benefit Adams customers. Finally, Blue Ridge states that it commits to retaining the vast majority of local Adams employees in their same roles following the close of the Transaction.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on June 19, 2024 [SAPA No. 24-V-0305SP1]. The time for submission of comments pursuant to the Notice expired on August 19, 2024. No comments were received.

LEGAL AUTHORITY

No transfer of a cable franchise, a certificate of confirmation, or facilities is effective without the approval of the Commission (PSL §222). The PSL and Commission regulations (PSL §222(2) and 16 NYCRR §897.4) require that an application for a transfer of control of a franchise or cable television system contain specific information, including: (1) the applicant's name, address and telephone number; (2) whether the proposed transfer is an asset transfer or stock transfer, and, in either case, a list of each franchise, including the name of the municipality that granted the franchise and the date thereof; (3) a copy of the purchase and sale agreement; (4) whether, pursuant to the franchise terms, the proposed transfer requires municipal approval(s) and, if so, a statement that the applicant has requested or will request approval by the municipality and will provide a copy of any municipal resolution

adopted relative to such request; and (5) a copy of Federal Communications Commission form 394.

The Commission will not approve a transfer petition, unless the applicant demonstrates that the proposed transferee and the cable television system conform to the standards established in the regulations promulgated by the Commission, and that the approval would not violate law or any Commission standard or rule, and the transaction is otherwise in the public interest, pursuant to PSL §222(3).

Under the Federal Cable Act, as amended, [47 USC §537], cable television asset transfers are deemed approved if no action is taken within 120 days from the date of application, unless the parties agree to an extension. In this proceeding, the 120-day deadline of September 13, 2024, by federal operation of law, was extended in a letter dated August 12, 2024, wherein the parties agreed to extend the deadline for Commission action to September 30, 2024.

DISCUSSION AND CONCLUSION

The Commission determines that the Transaction and resulting transfer of cable television systems, certificates, and franchises to Blue Ridge is not in violation of any law or Commission regulation or standard. Blue Ridge has filed the requisite information in accordance with PSL §222 and 16 NYCRR §897.4 and the Commission is advised that the terms of the relevant franchises do not require municipal approvals of the Transaction, as stated in the petition. Notwithstanding the foregoing, if municipal approvals are required under the respective franchise agreements' terms and conditions, the Petitioners are obligated to obtain such consents consistent with the provisions in those respective franchise agreements and State and federal laws. The Commission notes that municipal

approvals have been required in other acquisition transactions where franchises or cable systems were being transferred. The Commission will, therefore, not opine here on the obligations placed on the parties through the terms and provisions of each respective franchise agreement impacted by the Transaction.

Based on Department Staff's informal investigation and review, the Commission is advised that Blue Ridge has provided cable and other services for more than 70 years and appears to be a well-managed company. Here the benefits are adequate because the Transaction poses no risk to customers as Blue Ridge has a proven track record of technological advancement and customer service and plans to provide even more service offerings to Adams' customers.

The Commission finds that the Petitioners have demonstrated that the Transaction is in the public interest as Blue Ridge has committed to the continuation and performance of the existing Adams' operations under the existing terms and conditions in place for the provision of cable service in the eight New York cable television franchises subject to the Transaction. In addition, the Transaction raises no competitive concerns and poses no harm to the New York markets because Blue Ridge and Adams do not both compete in these markets currently. Adams customers are not expected to be adversely affected by the Transaction. Accordingly, the transfer of the cable systems, franchises, and certificates is approved. Adams should notify all customers of the pending Transaction through mailings delivered to their physical addresses and email notifications to the extent available.

The Commission orders:

1. The transfer of the cable systems, franchises, and certificates of confirmation from Adams CATV, Inc. to Blue Ridge Cable Technologies, Inc. is approved, consistent with the discussion in the body of this Order and the petition.

2. The Petitioners shall provide notice of the completion of the Transaction to the Secretary of the Commission within 30 days of the closing. If the Transaction contemplated herein is not completed within 180 days of this Order, the Commission may rescind the approval granted herein.

3. The Petitioners shall provide notice of the Commission's approval of the Transaction to their subscribers in the Municipalities, within 30 days of the issuance of this Order, consistent with the discussion in the body of this Order.

4. The Petitioners shall submit proof of the aforementioned subscriber notifications to the Secretary of the Commission, to be filed in this Case, within 45 days of the issuance of this Order.

5. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, include justification for the extension, and be filed at least three days prior to the affected deadline.

6. This proceeding is closed pending compliance with Ordering Clauses 2, 3, and 4.

By the Commission,

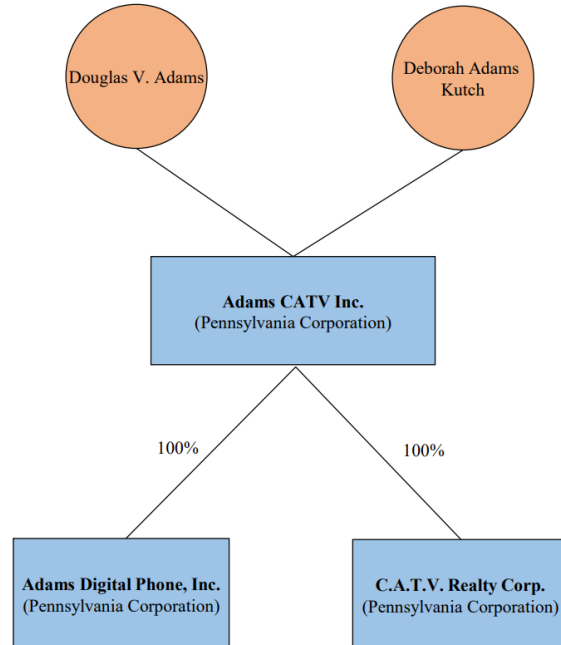
(SIGNED)

MICHELLE L. PHILLIPS
Secretary

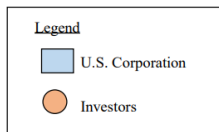
ADAMS CATV, INC. CERTIFICATES

Municipality	County	Certificate of Confirmation			Renewal (Most Recent)		
		Case	Effective	Expiration	Case	Effective	Expiration
Afton, T	Chenango	11309	6/26/1987	6/17/1996	17-V-0053	3/16/2017	3/16/2027
Colesville, T	Broome	10739	6/20/1985	4/4/1995	24-V-0048	3/24/2024	3/24/2029
Deposit, T	Delaware	10346	4/12/1974	unknown	20-V-0614	2/17/2021	2/17/2028
Deposit, V	Delaware	10346	4/12/1974	unknown	20-V-0474	12/22/2020	12/22/2027
Kirkwood, T	Broome	10873	12/29/1979	8/1/1988	15-V-0233	7/23/2015	7/23/2025
Sanford, T	Chenango	11501	6/11/1990	11/8/1999	24-V-0374	8/22/2024	8/22/2034
Windsor, T	Broome	10740	11/12/1987	5/15/1997	22-V-0355	9/20/2022	9/20/2027
Windsor, V	Broome	10741	6/26/1989	11/4/1996	21-V-0232	9/27/2021	9/27/2031

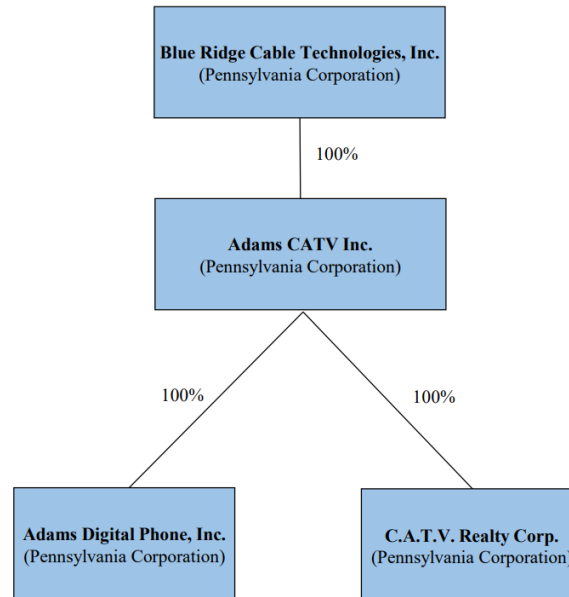
PRE-TRANSACTION ORGANIZATION CHART



- Douglas V. Adams and Deborah Adams Kutch, each an individual, are the sole owners of Adams CATV Inc.
- Adams CATV Inc. legally and beneficially owns 100% of the ownership interests in its subsidiaries Adams Digital Phone, Inc. and C.A.T.V. Realty Corp.



POST-TRANSACTION ORGANIZATION CHART



- Blue Ridge Cable Technologies, Inc. legally and beneficially owns 100% of the ownership interests in Adams CATV Inc.
- Adams CATV Inc. owns 100% of the ownership interests in its subsidiaries Adams Digital Phone, Inc. and C.A.T.V. Realty Corp.

