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VIA ELECTRONIC FILING

Michelle L. Phillips
Secretary
NYS Public Service Commission
Empire Plaza, Building Three
Albany, NY 12223

Complaint of Communication Workers of America - District 1 Against Optimum Concerning Transaction with MasTec North America, Inc.
PSC Case: 26-00273

Re: Optimum Communications, Inc.'s Response to the CWA Letter

Dear Secretary Phillips:

Pursuant to Rule 8.2(c) of the New York State Public Service Commission's ("Commission") Procedural Rules, 16 N.Y.C.R.R. § 8.2(c), Optimum Communications, Inc. ("Optimum" or "the Company") respectfully submits this opposition to the Letter of the Communications Workers of America District 1 ("CWA") filed in this proceeding on January 30, 2026 (the "CWA Letter"). In its letter, CWA seeks a ruling finding and declaring that Optimum's recent restructuring of its customer fulfillment service operations pursuant to agreements with MasTec North America, Inc. ("MasTec"), a third-party provider of such services, required the Commission's prior review and approval under Section 222 of the Public Service Law ("PSL").

In sum, as discussed more fully herein, the Commission should deny the CWA's requested ruling and dismiss the CWA Letter with prejudice because:

- **Optimum's agreements with MasTec merely establish a new contract engagement for discrete business services – *no changes to the Company's franchise agreements or the franchised entities have occurred*; and**

- **The limited physical assets transferred by Optimum to MasTec – e*.g., certain tools, vehicles (collectively constituting 1 percent of the Company's assets)* – are not part of Optimum's Cable System.**

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1. Background

Optimum, like other cable operators, deploys field personnel, as necessary, to install new service and address service issues within the homes/premises of subscribing residential and small business customers. Prior to the MasTec agreements at issue, a significant portion of such customer-facing field services were performed by multiple independent contractors *(including MasTec)*, and the remainder by personnel employed by Optimum directly.

On or about November 19, 2025, Optimum entered into two agreements with MasTec restructuring the Company's field service operations – a Managed Service Agreement and a Resource Transfer and Transition and Asset Purchase Agreement (the "Asset Purchase Agreement") (collectively, "the Agreements"). In the Managed Service Agreement, which has a multi-year term, MasTec agreed to assume full responsibility for all field service work for Optimum. As part of this agreement, MasTec accepted assignment of all of Optimum's existing agreements for field services with other independent contractors and agreed to hire all Optimum field technicians in good standing and subject to certain conditions. Additionally, for former Optimum employees represented by CWA, the Company compelled MasTec to offer substantially similar terms of employment, and MasTec is negotiating a new collective bargaining agreement with CWA to cover these personnel. In the Asset Purchase Agreement, Optimum transferred to MasTec ownership of certain vehicles, tool sets and software licenses previously used by Optimum field service employees.

This restructuring of Optimum's field operations is designed to achieve several important objectives, including:

- **Streamlining Internal Workflows:** By consolidating Optimum field service operations under one entity, MasTec's model streamlines operations, optimizes scheduling, simplifies workflows, and accelerates issue resolution. This allows technicians to focus on delivering high-quality service more efficiently;

- **Improving Customer Experience:** MasTec will provide superior workforce optimization and quality control, ensuring better alignment to customer needs; and

- **Creating Strong Career Paths and Employee Experience:** Field employees will be moving into meaningful career opportunities within a nationally scaled, industry-leading technical services organization.

2. The CWA Letter

The CWA Letter erroneously asserts that Optimum's engagement of MasTec "appears to involve the transfer of facilities and operational control that constitute a significant portion of Optimum's cable system operations in New York State."[1]

CWA requests that the Commission: (1) assess whether Optimum was required to seek Commission approval under PSL § 222 prior to effectuating or announcing this engagement; (2) determine whether Optimum complied with all applicable PSC notification and approval requirements, including whether any filings were made with the Commission; (3) clarify whether public notice and an opportunity for public comment were required and, if so, whether those requirements were met; and (4) evaluate whether municipal approvals were required under local franchise agreements and whether such approvals were obtained.[2]

3. Response to CWA Letter

PSL § 222 requires Commission approval for transfers of cable franchises or facilities constituting a significant part of a cable television system. The statute is explicit that:

> No transfer, renewal or amendment of any franchise, or any transfer of control of a franchise or certificate of confirmation or of facilities constituting a significant part of any cable television system shall be effective without the prior approval of the commission. Such approval shall be required in addition to any municipal approval required under the franchise or by law. For the purposes of this section, a merger or consolidation of two or more cable television companies shall be deemed to be a transfer of the franchises or certificates granted to such companies.[3]

For the reasons set out below, none of the above criteria are applicable here.

a. The Agreements Do Not Change Any of Optimum's Existing New York Cable Franchises or its Franchised Entities

All Optimum Franchise Rights and Authorizations Remain Under the Company's Sole Control. Nothing in the agreements gives MasTec any control over, or interest in, Optimum's rights and authorizations to provide Title VI services in New York communities. Conversely, nothing in this agreement relieves Optimum of the sole responsibility to comply with the terms and conditions of those franchises and related state law.

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[1] CWA Letter at 1.

[2] *Id.* at 2.

[3] *See* New York Consolidated Laws, PSL § 222, Transfer, renewal or amendment of franchises and transfer of control over franchises and system properties.

All Optimum Cable System Operations Remain Under its Ownership and Sole Control. The Managed Services Agreement does not transfer of ownership, control, or operational authority over Optimum's cable system. Optimum will continue to determine when a field service visit to a customer location is necessary and oversee the dispatch of field personnel – with MasTec providing a single source of trained technicians. Moreover, Optimum will retain all of its other critical in-house Network Service functions, including inside plant, outside plant and fiber maintenance and construction. The only change is that customer-facing field services — primarily, installation and repair in the homes of subscribing customers — will now be performed by a single vendor rather than by a combination of multiple vendors and Optimum employees.

Public Service Law Does Not Regulate Ordinary Vendor Contracting and Management of a Cable Operator's Discrete Business Functions. Nothing in the Public Service Law authorizes the Commission to regulate a cable operator's internal staffing decisions or its choice to contract with third-party vendors for discrete business functions, so long as the cable operator maintains ownership and ultimate operational control of the system. Indeed, cable operators routinely contract with third parties for number of functions – *e.g.*, manufacturers of customer premise equipment, construction contractors, retail and customer care resources. The CWA's argument would require cable operators to seek Commission approval of any decision to enter into or modify a business service contract with a third-party. Treating this ordinary vendor management as a transaction requiring Commission approval would represent a significant and unwarranted expansion of the Commission's statutory authority.

Moreover, requiring prior approval of the Commission here would not advance any public interest objective. To the contrary, it would divert limited Commission resources toward routine commercial contracting decisions that have no bearing on operator system ownership or regulatory oversight. Such an approach would be inconsistent with the Public Service Law, and the regulations of the Commission, and contrary to sound regulatory policy, and not a prudent use of the Commission's time or resources.

b. The Asset Purchase Agreement Does Not Require Commission Approval

The Physical Assets Transferred to MasTec Did Not Constitute Part of Optimum's Cable System. None of the limited physical assets transferred pursuant to the Asset Purchase Agreement fall within the statutory description of cable system facilities — *i.e.*, "*conduits, ducts, poles, wires, cables, cross-arms, receivers, transmitters, instruments, machines, appliances and all devices, real estate, easements, apparatus, property and routes used, operated or owned*" in providing cable service by Optimum. All of those assets can be easily replaced in the event that Optimum decides at some point in the future to resume provision of field services using its own personnel. As a result, these assets cannot be considered to be part of Optimum's cable system subject to the approval requirements of PSL § 222. Moreover, the trucks, tools and software licenses transferred to MasTec are not unique to Optimum's operations and are instead commonly and commercially available from a wide variety of sources of supply. They are interchangeable and easily replaceable. Their transfer does not impair, diminish, or alter the cable system in any structural, operational, or legal sense.

These Assets Represented a De Minimis Share of Optimum's Total Assets. Even if the Commission were to find these assets to be part of Optimum's "cable system" *notwithstanding the definition above*, assets collectively represent approximately one percent (1%) of Optimum's total fixed assets[4] and could not be considered a "significant part" of the system.

c. CWA's Claims Concerning Violation of Optimum's Cable Franchise Agreements Are Also Without Merit

CWA's contention that the Commission should determine whether any municipal approvals were required under local franchise agreements for Optimum's restructuring of its field service operations must also be rejected. As previously noted, the Agreements made no changes to Optimum's existing franchise agreements in New York, and did not modify or transfer any rights granted to Optimum's franchised entities pursuant to these agreements.

4. Conclusion

WHEREFORE, for the forgoing reasons, Optimum Communications, Inc. respectfully requests that the Commission dismiss the January 30, 2026 Letter of the Communications Workers of America District 1 in its entirety with prejudice.

Sincerely,

/s/ Ekin Senlet

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[4] The Company refers to its 2024 Annual Financial Report *(as filed with the Commission on March 31, 2025)*.