

Agenda Date: 2/27/08 Agenda Item: IIIK

# STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.nj.gov/bpu

**CABLE TELEVISION** 

| IN THE MATTER OF THE PETITION OF PATRIOT )      |                         |
|---|-------------------------|
| MEDIA & COMMUNICATIONS CNJ, LLC FOR A           | RENEWAL                 |
| RENEWAL CERTIFICATE OF APPROVAL TO              | CERTIFICATE OF APPROVAL |
| CONTINUE TO CONSTRUCT, OPERATE AND )            |                         |
| MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR ) |                         |
| THE TOWNSHIP OF TEWKSBURY, COUNTY OF            |                         |
| HUNTERDON, STATE OF NEW JERSEY )                | DOCKET NO. CE07070558   |
|   |                         |

### SERVICE LIST ATTACHED

### BY THE BOARD:

On May 15, 1987, the Board granted Chester-Mendham Cable T.V., Inc. a Certificate of Approval, in Docket No. CE86101077, for the construction, operation and maintenance of a cable television system in the Township of Tewksbury ("Township"). Due to a series of Board approved transfers, the Certificate was transferred to RCN of New Jersey, Inc. ("RCN"). On April 11, 2003, the Board issued a Renewal Certificate of Approval to RCN in Docket No. CE00080579. Due to a series of Board approved transfers, the Certificate was transferred to Patriot Media & Communications CNJ, LLC ("Petitioner")¹. Although the Petitioner's above referenced Certificate expired on May 15, 2007, the Petitioner is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Township on August 9, 2006, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township, after public hearing, adopted an ordinance granting renewal municipal consent to the Petitioner on June 12, 2007. The Petitioner formally accepted the terms and conditions of the ordinance on June 27, 2007.

On July 27, 2007, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a

<sup>&</sup>lt;sup>1</sup> On August 24, 2007, in Docket No. CM07040250, the Board approved the acquisition of Patriot Media Holdings, LLC by Comcast Cable Communications Holding, Inc. The Petitioner is a wholly owned subsidiary of Patriot Media Holdings, LLC. Thereafter, on September 14, 2007, Patriot Media Holdings, LLC notified the Board that it changed its name to Comcast Holdings, LLC, and that the Petitioner changed its name to Comcast of Central New Jersey II, LLC.

renewal of its Certificate of Approval for the Township. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval, and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were previously reviewed by the Township in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is ten years from the date of issuance of this Certificate with an automatic renewal provision for a term of five years thereafter pursuant to N.J.S.A. 48:5A-19 and -25. The Board finds these periods to be of reasonable duration.
- 5. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 25.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational schedules of prices, terms and conditions for unregulated service, and promptly file any revisions thereto.
- 7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with any applicable rules.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. Currently, the local office serving this provision is located at 100 Randolph Road in Somerset, New Jersey.
- 9. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township or any additional amount thereafter required by the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall provide public, educational, and governmental ("PEG") access services, equipment and facilities as required by the ordinance and the application. Specifically, the Petitioner shall provide two access channels to be

used for educational and governmental access by the Township, which shall be shared with other municipalities located in and around the Township. Upon request of the Township, the Petitioner shall provide training and technical assistance to Township officials with respect to the establishment and setup of the access channels. The Petitioner shall provide such equipment as may be necessary to utilize the access channels from one of the municipal locations specified in condition No. 12 and stipulated in the ordinance, the location of which is to be designated by the Township.

- 11. Upon reasonable advance written request, the Petitioner shall conduct an annual four hour training course for access users in the Township at times scheduled and noticed in advance. The training programs will be tailored to appeal to a range of skill levels. The Petitioner shall provide an instructor and equipment to be used during the annual training sessions.
- 12. The Petitioner shall provide, free of charge, one standard installation, equipment and limited and expanded basic monthly service, as well as cable modem service in the following municipal buildings: Police Administration Building at 169 Old Turnpike Road; Department of Public Works at 169 Old Turnpike Road; Construction Building at 108 Fairmont Road West; Mountainville Meeting Hall at 60 Water Street; Oldwick Fire Company at Oldwick Road; Tewksbury Rescue Squad at 163 Old Turnpike Road; Tewksbury Public Library at 31 Old Turnpike Road; Tewksbury Elementary School at 109 Fairmount Road East; Old Turnpike Road School at 171 Old Turnpike Road; and the Educational Services Commission School at 51 Sawmill Road. Upon request of the Township for additional outlets to any of the above noted municipal buildings, the Petitioner agrees to install additional outlets on a materials plus labor basis. Monthly service rates shall be charged at the regular tariff rates for additional outlets.
- 13. The Petitioner has agreed to continue to offer a senior citizens/disabled discount as authorized by N.J.S.A. 48:5A-11.2 on the monthly limited basic service rate for persons meeting the eligibility requirements of N.J.S.A. 30:4D-21 and N.J.A.C. 14:18-3.20.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u> that, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 et seq., that the Petitioner has complied or is ready to comply with all applicable rules and regulations imposed by or pursuant to State and federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Township.

This Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The

Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. §76.1 et seq. including but not limited to, the technical standards 47 C.F.R. §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seg.

This Certificate shall expire ten years from the date of issuance.

DATED: 3/4/08

**BOARD OF PUBLIC UTILITIES** BY:

COMMISSIONER

JOSEPH L. FIORDALISO COMMISSIONER

CHRISTINE V. BATOR COMMISSIONER

ATTEST:

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Utilities

### **APPENDIX "I"**

# Office of Cable Television Line Extension Policy

Company Patriot Media and Communications CNJ, LLC

Municipality Township of Tewksbury

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

| 1. | # of homes in extension mileage of extension                                  | = | homes per mile (HPM) of extension   |
|----|---|---|---|
| 2. | HPM of extension Minimum HPM that company actually constructs in the system * | = | ratio of the density<br>of the extension to the<br>minimum density which the<br>company constructs in the<br>system ("A") |
| 3. | Total cost of building the extension times "A"                                | = | company's share of extension cost   |
| 4. | Total cost of building extension less company's share of extension cost       | = | total amount to be recovered from subscribers   |
| 5. | Total amount to be recovered from subs Total subscribers in extension         | = | each subscriber's share   |

In any case, the company shall extend its plant along public rights of way to:

- All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
- 2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.
- \* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes which the company has historically constructed at its own cost. This is a function of the operator's break even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- 1. Provide a written estimate within 30 days of such a request.
- 2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
- Complete construction within six months of receipt of any deposit monies from potential subscribers.
- 4. Inform each home passed along the extension of the potential costs for subscribers.
  - Subscribers who pay for an extension shall be entitled to rebates in the following manner:
- 1. If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
- 2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
- 3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
- 4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
- 5. After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
- 6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

### **Definitions**

## Primary Service Area

The Primary Service Area (PSA) can be an entire municipality but in many instances, the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

## Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor-in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

## **SERVICE LIST**

Dennis C. Linken, Esq. Stryker, Tams and Dill Two Penn Plaza East Newark, NJ 07105

Roberta Brassard Township Clerk Township of Tewksbury 169 Old Turnpike Road Califon, NJ 07830

Robert D. Clifton Comcast of Central New Jersey II, LLC. 100 Randolph Road Somerset, NJ 08873

Celeste M. Fasone, Director Office of Cable Television Two Gateway Center Newark, NJ 07102

Nancy J. Wolf, Coordinator State and Local Planning South Office of Cable Television Two Gateway Center Newark, NJ 07102

Babette Tenzer
Deputy Attorney General
Division of Law
State of New Jersey
124 Halsey Street
Newark, New Jersey 07102