



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST)
OF CENTRAL NEW JERSEY II, LLC, FOR A) RENEWAL CERTIFICATE OF
RENEWAL CERTIFICATE OF APPROVAL TO) APPROVAL
CONTINUE TO CONSTRUCT, OPERATE AND)
MAINTAIN A CABLE TELEVISION SYSTEM IN AND)
FOR THE TOWNSHIP OF MENDHAM, COUNTY OF)
MORRIS, STATE OF NEW JERSEY) DOCKET NO. CE13040303

Parties of Record:

Dennis C. Linken, Esq., Scarinci & Hollenbeck, LLC, for the Petitioner
Kathleen Potter, Clerk, Township of Mendham, New Jersey

BY THE BOARD:

On November 8, 2001, the Board granted CSC TKR, Inc. d/b/a Cablevision of Morris ("CSC") a Certificate of Approval in Docket No. CE01070449 for the construction, operation and maintenance of a cable television system in the Township of Mendham ("Township"). Due to a series of Board approved transfers, the Certificate of Approval was held by Patriot Media & Communications CNJ, LLC ("Patriot")¹. With required Board approval, Comcast Cable Communications Holdings, Inc. acquired control of Patriot, as a result of which Patriot became a wholly-owned indirect subsidiary of Comcast Corporation. Based on a name change, Comcast of Central New Jersey II, LLC ("Petitioner") is the current holder of the Certificate. Although the Petitioner's above referenced Certificate expired on November 8, 2011, 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.

¹ It is noted that Patriot was the holder of a second Certificate for the entirety of the Township of Mendham ("Township"), owned by its predecessor, RCN of New Jersey, Inc. ("RCN"). Pursuant to the Board's Order issued on September 24, 2003, in Docket No. CM03060464 approving the transfer of Certificate of Approval from CSC to Patriot, RCN's Certificate of Approval was allowed to expire based upon certain conditions being met. Without objection from the Township, the RCN Certificate of Approval expired on June 6, 2001, and the franchise obligations were superseded by the CSC Certificate of Approval, the subject of the present Renewal Petition.

The Petitioner filed an application for the renewal of its municipal consent with the Township on February 4, 2011, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 et seq. The Township, after public hearing, adopted an ordinance granting renewal municipal consent to the Petitioner on January 29, 2013. The Petitioner formally accepted the terms and conditions of the ordinance on February 13, 2013. On April 10, 2013, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate 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 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 10 years; however the term may be extended five additional years for a total of fifteen years, subject to the conditions of Section 15(f) of the ordinance². The Board finds the duration and conditions for expiration to be reasonable.
5. The Township has reserved the right to review the Petitioner's performance with regard to the ordinance. In the event that the Township shall find that the Petitioner has not substantially complied with the material terms and conditions of the ordinance, the Township shall have the right to petition the Board for appropriate administrative action, pursuant to N.J.S.A. 48:5A-47; provided, however, that the Township shall first have given the Petitioner written notice of all alleged instances of non-compliance and an opportunity to cure same within 90 days of that notification.
6. The Petitioner shall provide service to any residence or business along any public right-of-way in the Primary Service Area at no cost beyond standard and non-standard installation charges. For any extension outside of the Primary Service Area, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate. The minimum homes per mile figure is 15.
7. 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

² The Township inadvertently included a citation which pertains to an automatic renewal term in the adopted ordinance, specifically N.J.A.C. 14:18-13.6. The parties submitted letters of clarification on July 29, 2013, regarding the term. The above language in provision number 4 reflects the duration and conditions for expiration consistent with that expressed in the letters filed pertaining to the adopted ordinance.

Commission, the Board and the Office of Cable Television. The Petitioner shall maintain and file with the Board, informational schedules of prices, terms and conditions for unregulated service, and promptly file any revisions thereto.

8. 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.
9. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The Petitioner currently maintains a local office at 279 Amwell Road, in Hillsborough, New Jersey.
10. Pursuant to N.J.S.A. 48:5A-30, the franchise fee to be paid to the Township is specified to be 3.5% of the Petitioner's gross revenues, as defined in N.J.S.A. 48:5A-3(x), derived from cable television charges or fees paid by subscribers for its cable television service in the Township.³ 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.
11. The Petitioner shall continue to provide one dedicated local access channel maintained by the Petitioner for the purpose of cablecasting non-commercial local access programming. The Petitioner shall also maintain one dedicated system-wide public access channel which can be used by qualified residents and organizations in the Township for the purpose of cablecasting non-commercial access programming. Within one year of the Township's written request, the Petitioner shall provide an additional return line for the local access channel at a site of the Township's choosing. The location of this return line must be within 200 feet of active cable distribution plant.
12. Within six months of issuance of this Certificate, the Petitioner shall provide the Township with a one-time grant of \$35,000.00 for the access related needs of the Township. Upon payment, the Petitioner shall submit proof of satisfaction of this provision to the Office of Cable Television.
13. Within 180 days prior to the end of the tenth year of the franchise term, the Petitioner shall provide the Township with a second grant of \$5,000.00 for the access related needs of the Township. Upon payment, the Petitioner shall submit proof of satisfaction of this provision to the Office of Cable Television.
14. The Petitioner shall provide standard installation and basic cable television service, on one outlet, free of charge, to each school in the Township, public and private, elementary, intermediate and secondary. In order to qualify for free installation, the school must be located within 200 feet of active cable distribution plant. Each additional outlet installed, if any, shall be paid for on a materials plus labor basis by

³ Pursuant to the Board's Order of Approval issued on October 3, 2007, in Docket No. CO07080627 of the petition filed by Verizon New Jersey, Inc. seeking approval of its certification that it is capable of providing cable television service to at least 60 percent of the households in the Township, the Petitioner's franchise fees to the Township was increased from 2% to 3.5%.

the school requesting service. The Petitioner shall waive monthly service charges for any such additional outlets, except for equipment.

15. The Petitioner shall provide installation and basic cable television service, on one outlet, free of charge, to the municipal building, and to each police, fire, emergency management facility, municipal public works facility and public library located in the Township. In order to qualify for free installation, the facility must be located within 200 feet of active cable distribution plant. The Township shall pay for each additional outlet installed to any of the above facilities on a materials plus labor basis, however, the Petitioner shall waive monthly service charges for any such additional outlets, except for equipment.
16. The Petitioner shall provide free monthly Internet service via high-speed cable modem to the public library and each school in the Township, public and private, elementary, intermediate and secondary. To qualify for free installation, the facility must be located within 200 feet of active cable distribution plant. The Internet service shall be installed on a personal computer that is accessible to students and library patrons, and shall not be used for administrative purposes only.
17. The Petitioner shall continue to provide free monthly Internet service via high-speed cable modem to the Township's municipal building, two fire department facilities and police headquarters. All facilities must be located within 200 feet of active cable distribution plant.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), that the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., that the Petitioner has complied or is ready, willing and able 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 that the Petitioner is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** 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 Renewal 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 be 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 seq.


This term and conditions of expiration of this Certificate are specifically delineated in Section 4. and Section 15(f) of the ordinance and governed by proceedings pursuant to the ordinance, as noted herein in findings No. 4 and 5 above and can expire pursuant to said conditions, but in no event later than November 8, 2026.

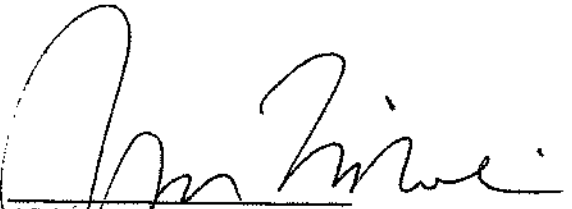
This Order shall be effective on September 3, 2013.

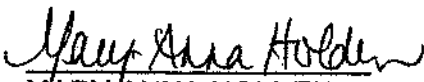
DATED: 8/21/13

BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT

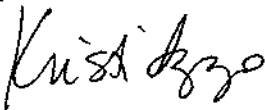

JEANNE M. FOX
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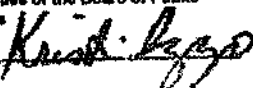

MARYANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

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 Comcast of Central New Jersey II, LLC
Municipality Township of Mendham

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

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

1. 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 breakeven 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.
3. 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.

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OF MENDHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY
DOCKET NO. CE13040303

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