



Agenda Date: 9/30/14
Agenda Item: IIIB

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 SERVICE)
ELECTRIC CABLE T.V. OF NEW JERSEY, INC.) RENEWAL CERTIFICATE
FOR A RENEWAL CERTIFICATE OF APPROVAL) OF APPROVAL
TO OWN, OPERATE, EXTEND AND MAINTAIN A)
CABLE TELEVISION SYSTEM IN THE TOWNSHIP)
OF VERNON, COUNTY OF SUSSEX, STATE OF)
NEW JERSEY) DOCKET NO. CE14040386

Parties of Record:

Michael P. Meliti, Esq., Arturi, D'Argenio, Guagliardi & Meliti, for the Petitioner
Lauren Kirkman, Clerk, Township of Vernon, New Jersey

BY THE BOARD:

On March 4, 1981, the Board of Public Utilities ("Board") granted Service Electric Cable Television of New Jersey, Inc. under the corporate name of Garden State CATV, Inc. ("SECTV") a Certificate of Approval in Docket No. 802C-6641, for the construction, operation and maintenance of a cable television system in the Township of Vernon ("Township"). SECTV subsequently underwent a corporate restructuring and dropped the name Garden State and is now known as Service Electric Cable T.V. of New Jersey, Inc. ("Petitioner"). On July 24, 2002, the Board issued the Petitioner an Order Adopting Initial Decision Settlement and Renewal Certificate of Approval for the Township in Docket No. CE96060486. Although by its terms the Petitioner's above referenced Certificate expired on May 30, 2012, it 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 September 1, 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 a municipal ordinance granting renewal consent to the Petitioner on December 9, 2013. On April 16, 2014, the Petitioner formally accepted the terms and conditions of the ordinance. On April 30, 2014, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a 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, the Township reviewed these qualifications in conjunction with the municipal consent process.
2. The design and technical specifications of the system will 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. The Board finds this period to be of reasonable duration.
5. 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 and file with the Board an informational schedule of prices, terms and conditions for unregulated service, and promptly file any revisions thereto.
6. 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 the applicable rules.
7. The Petitioner shall maintain a local business office or agent within Sussex County for the purpose of receiving, investigating and resolving complaints. Currently, the local office serving this provision is located at 320 Sparta Avenue, Sparta, New Jersey.
8. 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, and shall be increased as required by N.J.S.A. 48:5A-30. 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.
9. The Petitioner shall provide service along any public right-of-way in the Primary Service Area of the Township at no cost beyond standard and non-standard installation charges as set forth in the Petitioner's application and its tariff on file with the Office of Cable Television. For any extension outside of the Primary Service Area, the Petitioner shall utilize the line extension policy attached to the Certificate as Appendix "I". The minimum homes per mile figure is 35.

10. The Petitioner shall provide public, educational and governmental access channels and facilities in accordance with the ordinance and the application. Specifically, the application provides that the Petitioner maintains one channel for educational access and one channel for local access which is shared with commercial leased access. Upon request of the Township, the Petitioner shall make every reasonable effort to provide an outside contractor to tape community programming.
11. Upon reasonable written request of the Township, the Petitioner shall broadcast meetings of various governmental bodies for the Township, including but not limited to Council meetings, and shall provide one copy of each videotaped Council meeting to the Township Clerk within one week of the recording of such meeting for the Township's records.
12. The Petitioner shall provide cable television service to the following locations in the Township, free of charge: one cable connection to 1) Cedar Mountain Primary School; 2) 39 cable connections to Walnut Ridge Elementary School; 3) seven cable connections to Glen Meadows Middle School; 4) three cable connections to Lounsberry Hollow School; 5) two cable connections to Rolling Hills Primary School; 6) three cable connections to Vernon Township High School; 7) one cable connection to Pochuck Valley Fire Department; 8) one cable connection to Vernon Township Police Department; 9) one cable connection to Vernon Township Senior Citizen's Center; 10) one cable connection to Vernon PAL; 11) two cable connections to Vernon Township Road Department; 12) one cable connection to Vernon Township Municipal Building; 13) one cable connection to Vernon Township Fire Department; 14) one cable connection to Highland Lakes Fire Department; and 15) one cable connection to McAfee Fire Department.
13. In the event the Petitioner implements a discount for senior citizens in any municipality in which the Petitioner provides services, the same discount shall be provided to the subscribers in the Township.

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 or 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 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 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 contained therein 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 seq.

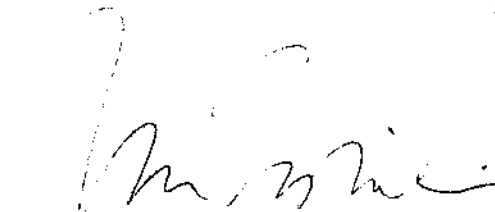
This Certificate shall expire on May 30, 2022.

This order shall be effective on October 10, 2014.

DATED: 9/30/14


BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
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**

**SERVICE ELECTRIC CABLE TV OF NEW JERSEY, INC.
TOWNSHIP OF VERNON**

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. <u># of homes in extension</u>
mileage of extension | = | homes per mile (HPM) of
extension |
| 2. <u>HPM of extension</u>
Minimum HPM that
company actually
constructs in the
system * | = | ratio of the density of
the extension to the
minimum density which the
company constructs in the
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
<u>recovered from subs</u>
Total subscribers in extension | = | 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 that 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.
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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SUSSEX, STATE OF NEW JERSEY - DOCKET NO. CE14040386

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