



Agenda Date: 6/30/17
Agenda Item: III E

STATE OF NEW JERSEY
Board of Public Utilities
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OFFICE OF CABLE TELEVISION &
TELECOMMUNICATIONS

IN THE MATTER OF CABLEVISION OF HUDSON)
COUNTY, LLC FOR THE RENEWAL OF ITS)
SYSTEM-WIDE CABLE TELEVISION)
FRANCHISE)
SYSTEM-WIDE CABLE TELEVISION)
FRANCHISE)

SYSTEM-WIDE CABLE TELEVISION
FRANCHISE RENEWAL

DOCKET NO. CE17030183

Parties of Record:

Robert Hoch, Counsel, Local Government & Regulatory Affairs, Altice USA, for Cablevision of Hudson County, LLC
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 4, 2010, the Board of Public Utilities (“Board”) issued an order memorializing the conversion by Cablevision of Hudson County, LLC of its municipal consent-based franchise in the City of Hoboken to a System-wide Cable Television Franchise in Docket No. CE10050328. Cablevision of Hudson County, LLC converted four additional municipalities, which were memorialized by Orders of Amendment dated April 27, 2011, for the Township of North Bergen and the Township of Weehawken; dated February 10, 2012 for the Town of West New York; and dated March 18, 2015, for the City of Union City, thereby completing conversion of the Cablevision of Hudson County, LLC system. A list of the municipalities included in Cablevision of Hudson County, LLC’s System-wide Cable Television Franchise is attached as Appendix “I”. On May 26, 2016, in Docket No. CM15111255, the Board approved the merger of Altice, USA and Cablevision Systems Corporation, the parent of Cablevision of Hudson County, LLC. Altice is obligated to abide by all commitments under Cablevision of Hudson County, LLC’s franchise agreements. Although by its terms, Cablevision of Hudson County, LLC’s System-wide Cable Television Franchise expired on May 11, 2017, it is authorized to continue to provide cable television service, pursuant to N.J.A.C. 14:18-14.18(e).

BACKGROUND

On July 1, 2014, the Board notified Cablevision of Hudson County, LLC of its intention to review its performance under its System-wide Cable Television Franchise pursuant to 47 U.S.C. § 546, N.J.S.A. 48:5A-19(b) and N.J.A.C. 14:18-14.16. On July 20, 2016, the Board invited Cablevision of Hudson County, LLC to file comments on its performance under its System-wide Cable Television Franchise and to assess how it will meet the future needs of the communities listed in its franchise application. Cablevision of Hudson County, LLC filed its Initial Comments with the Board on September 30, 2016. Pursuant to N.J.A.C. 14:18-14.17, on November 30, 2016, the

Board issued a report ("Ascertainment Report") on Cablevision of Hudson County, LLC's performance under its System-wide Cable Television Franchise and the future system-wide cable television franchise needs of the State and the municipalities under the system-wide cable television franchise.

On March 1, 2017, Cablevision of Hudson County, LLC filed for renewal of its System-wide Cable Television Franchise, pursuant to N.J.S.A. 48:5A-19 and N.J.A.C. 14:18-14.18. Pursuant to N.J.A.C. 14:18-14.3, the Board was required to hold two public hearings in this matter, which were held on May 9, 2017, in the Town of West New York at 4:00 p.m. and in the City of Hoboken at 6:00 p.m. Written comments were accepted between May 9, 2017 and June 8, 2017.

PUBLIC COMMENT

At the hearings, the public was invited to provide oral and/or written comment on the application, and the hearings were transcribed by a court reporter, with the transcripts included in the record of this matter. There were no public commenters. At both hearings, the New Jersey Division of Rate Counsel ("Rate Counsel") noted the highlights of Cablevision of Hudson County, LLC's application and stated that it would provide written comments to the Board regarding the application and the issuance of the Renewal System-wide Cable Television Franchise. On May 12, 2017, Rate Counsel filed a letter with the Board stating that it had reviewed the application and supporting documentation and did not oppose Board approval of Cablevision of Hudson County, LLC's application for a Renewal System-wide Cable Television Franchise. On April 26, 2017, Mayor Felix E. Roque, M.D., Town of West New York, New Jersey, submitted a letter in support of the renewal. On May 9, 2017, Mayor Dawn Zimmer, City of Hoboken, New Jersey, submitted a letter in support of the renewal. There were no other commenters.

DISCUSSION

In 2006, the Legislature passed amendments to the State Cable Act which allowed Cablevision of Hudson County, LLC to apply for and receive a System-wide Cable Television Franchise from the Board (P.L. 2006, c. 83). The Legislature articulated certain restrictions and pre-conditions the Board could consider prior to approving any system-wide cable television franchise applicant. The Board is bound by the enabling statute and the adopted rules for application and enforcement.

In determining whether to issue Cablevision of Hudson County, LLC a renewal of its System-wide Cable Television Franchise, the Board may only consider that which is allowed by the State Cable Act, which provides, at N.J.S.A. 48:5A-16(f), that "[i]n determining whether a system-wide cable television franchise should be issued, the board shall consider only the requirements of sections 17 and 28 of P.L. 1972, c. 186 (C. 48:5A-17 and C. 48:5A-28)."

N.J.S.A. 48:5A-17 permits the Board to issue a system-wide cable television franchise following its review of the application, where it finds the applicant has complied or is ready, willing and able to comply with all applicable rules and regulations imposed or pursuant to State or federal law as preconditions for providing cable television service. N.J.S.A. 48:5A-28 sets forth the elements in the application for a system-wide cable television franchise and the required commitments of a system-wide cable television franchise applicant. The Board's review of the application makes it clear that Cablevision of Hudson County, LLC's application satisfies the requirements set forth by the Legislature.

CONCLUSION

Based upon these findings, the Board **HEREBY CONCLUDES** that, pursuant to the System-wide Cable Television Franchise Act and the Cable Television Act, Cablevision of Hudson County, LLC 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 Cablevision of Hudson County, LLC 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, Cablevision of Hudson County, LLC is **HEREBY ISSUED** this Renewal System-wide Cable Television Franchise, for a period of seven years, as evidence of Cablevision of Hudson County, LLC's authority to operate a cable television system within the jurisdiction set forth in its application, subject to the following conditions:

1. All of the commitments, statements and promises contained in the application for renewal of this System-wide Cable Television Franchise and any amendments thereto submitted in writing to the Board, except as modified herein, are hereby adopted and binding upon Cablevision of Hudson County, LLC as terms and conditions of this Renewal System-wide Cable Television Franchise, and included as conditions as if fully set forth herein. The application and any other relevant writings submitted by Cablevision of Hudson County, LLC shall be considered a part of this System-wide Cable Television Franchise and made part hereof by reference.
2. In the Township of North Bergen, the City of Union City and the Town of West New York, Cablevision of Hudson County, LLC shall provide service to all residents at no cost beyond standard and non-standard installation rates, contained in its schedule of prices, rates, terms and conditions on file with the Board. Commercial establishments shall be constructed in accordance with commercial line extension attached as Appendix "II". In the City of Hoboken and the Township of Weehawken, Cablevision of Hudson County, LLC shall provide service to all residents and businesses at no cost beyond standard and non-standard installation rates, contained in its schedule of prices, rates, terms and conditions on file with the Board.
3. Under N.J.A.C. 14:18-5.1(a), Cablevision of Hudson County, LLC shall maintain a local business office where applications for service, complaints, service inquiries, bill payments, and so forth will be received. Currently, Cablevision of Hudson County, LLC maintains a local office at: 116-118 48th Street, Union City, New Jersey. Cablevision of Hudson County, LLC shall maintain its local office in accordance with applicable law.
4. The designated complaint officer for all municipalities in Cablevision of Hudson County, LLC's System-wide Cable Television Franchise is the Office of Cable Television. All complaints shall be received and processed in accordance with applicable rules.
5. Cablevision of Hudson County, LLC shall pay a franchise fee to the municipalities in the amount of 3.5% of its gross revenues, as defined by N.J.S.A. 48:5A-3(x) and -30(d), paid by subscribers in the municipality.

6. Cablevision of Hudson County, LLC shall pay to the State Treasurer, in accordance with its CATV Universal Access Fund now existing or as will exist in the future, an amount of up to 0.5% of its gross revenues, as defined by N.J.S.A. 48:5A-3(x) and -30(d), paid by subscribers in the municipality.
7. Cablevision of Hudson County, LLC shall maintain an informational schedule of prices, rates, terms and conditions for unregulated service and promptly file any revisions thereto. Rate and channel line-up changes shall be performed in accordance with applicable rules.
8. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Hudson County, LLC shall provide and maintain a return line or other method of interconnection from any one location in the municipality, without charge, to a location of interconnection in its cable television system in order to allow live or taped cablecasting of PEG access programming by the municipality. The return line or interconnection shall be provided in accordance with N.J.A.C. 14:18-15.4(c). Cablevision of Hudson County, LLC shall continue to provide and maintain any return line already provided.
9. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Hudson County, LLC shall provide and maintain up to two PEG access channels. If a municipality requests more than two PEG access channels, the municipality shall demonstrate the need for the additional PEG access channels in accordance with N.J.A.C. 14:18-15.4(a)1. The municipality shall assume all responsibility for the management, operations and programming of the PEG access channels in accordance with N.J.A.C. 14:18-15.4(a)4.
10. Cablevision of Hudson County, LLC shall continue to provide equipment and training for municipalities covered by the system-wide cable television franchise without charge, for use in the development of local programming content that can be shown on PEG access channels. Cablevision of Hudson County, LLC currently maintains a studio location at 685 Broadway, Bayonne, New Jersey. Cablevision of Hudson County, LLC provides training at the access studio upon request.
11. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Hudson County, LLC shall install and maintain, without charge, one service outlet activated for basic cable television service and Internet service to each fire station, public school, police station, public library and any other such building used for municipal purposes, in accordance with N.J.A.C. 14:18-15.5.
12. Pursuant to N.J.A.C. 14:18-14.2, Cablevision of Hudson County, LLC shall maintain sufficient bond for the faithful performance of all undertakings by the applicant as represented in the application; and shall have sufficient insurance including the Board, all municipalities served and the applicant as insureds, with respect to all liability for any death, personal injury, property damage or other liability arising out of the applicant's construction and operation of its cable television system.
13. Pursuant to N.J.S.A. 48:5A-28(n), Cablevision of Hudson County, LLC shall continue to comply with any applicable consumer protection requirements.

This Renewal System-wide Cable Television Franchise 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. Cablevision of Hudson County, LLC shall adhere to the applicable 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 Renewal System-wide Cable Television Franchise.

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 Renewal System-wide Cable Television Franchise.

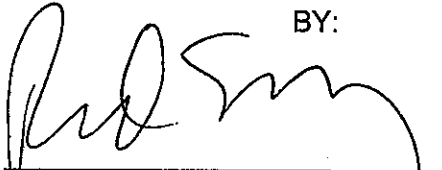
This Renewal System-wide Cable Television Franchise is issued on the representation that the statements contained in Cablevision of Hudson County, LLC's application are true, and the undertakings therein contained shall be adhered to and be enforceable unless specific waiver is granted by the Board or the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

Cablevision of Hudson County, LLC's Renewal System-wide Cable Television Franchise shall expire on May 11, 2024.

This Order shall be effective on July 10, 2017.

DATED: 6/30/17


BOARD OF PUBLIC UTILITIES
BY:



RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

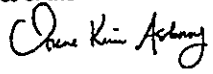

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:

IRENE KIM ASBURY
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"
SYSTEM-WIDE CABLE TELEVISION FRANCHISE MUNICIPALITIES
CABLEVISION OF HUDSON COUNTY, LLC

Municipality	County
Hoboken City	Hudson
North Bergen Township	Hudson
Union City	Hudson
Weehawken Township	Hudson
West New York Town	Hudson

APPENDIX "II"
CABLEVISION OF HUDSON COUNTY, LLC
SYSTEM-WIDE CABLE TELEVISION FRANCHISE

COMMERCIAL LINE EXTENSION RATE POLICY

1. Intent. It is the intent of Cablevision that a rate policy be established under which any businesses within the company's franchise areas would have the opportunity to obtain cable television service.

2. Applicability. This line extension rate shall apply to all cable television service extensions, aerial and underground, on public and private lands, provided by Cablevision.

3. Definitions.

(a) Line or Service. That situation where the company must extend its existing trunk line and/or distribution cable in order to make a tap available from which a drop line can be run so as to provide cable television service to the applicant's premises. The line or service extension shall include, but not be limited to, all poles, cables, amplifiers, extenders, splitters, taps, right-of-way acquisitions and clearing, trenching, backfilling and any other one-time costs incurred by Cablevision in connection with extending service to the applicant. A line or service extension shall not include facilities provided by Cablevision pursuant to its applicable installation rates then existing.

(b) Applicant. Any person, firm, corporation or association that applies to Cablevision for service to a commercial establishment in the franchise area.

(c) Commercial Establishment. Any building or structure, or portion thereof, not used for residential purposes including, but not limited to, profit and non-profit corporations or associations, which has requested the installation of cable television service requiring line or service extension as defined herein.

(d) Drop Line. That cable which connects the subscriber's television receiver to the cable transmission system by way of a tap.

(e) Tap. A connecting device inserted in the cable transmission line which allows for the connection of a drop line. An aerial or underground "drop line" constitutes a transmission cable running from the distribution or feeder cable to the subscriber's connection or receiver.

(f) Trunk Line. Transmission cable running from headend to trunk amplifiers and through each trunk amplifier in cascade in the system from which connections for distribution and feeder cable are provided.

(g) Distribution or Feeder Cable. Transmission cable which extends from the distribution amplifiers serving specific areas within the system and from which drop lines are extended.

(h) Qualified Subscriber. Any applicant who, as a potential subscriber, has committed to purchase at least the basic service from Cablevision for a period of not less than two (2) years.

4. Schedule.

(a) Within thirty (30) days after the date on which the service is requested, but not more than ninety (90) days from the date upon which the request for service was made, Cablevision shall furnish the applicant with (1) an estimate request form, (2) a copy of this line extension policy, and (3) notification that service can only be provided by means of a line or service extension.

(b) If the applicant requests a written estimate within thirty (30) days after being advised that service can only be provided by means of a line or service extension, Cablevision shall, within sixty (60) days of such request, furnish a written estimate, a construction schedule, and a service extension contract to be signed by the applicant.

(c) The applicant must return a signed service extension agreement within thirty (30) days after receipt of the material described in Paragraph (b) together with a check in the amount of \$50.00 representing a service extension deposit which will be credited against the applicant's contribution in aid of construction invoice to the applicant which must be signed and returned to Cablevision with the full payment before construction will commence.

(d) If the applicant fails to meet any of the applicable deadlines or any of the terms herein before set forth without the approval of Cablevision, any obligations pertaining to the proposed line or service extension shall cease and be of no further force or effect.

5. Commercial Line Extension Rate Charges.

A commercial establishment requesting line or service extension shall bear all of the following costs to make a tap available from which a drop line may be installed:

(a) The actual cost to Cablevision of materials and equipment necessary to make service available plus shipping charges and applicable taxes.

(b) The actual labor costs incurred by Cablevision, exclusive of benefits.

(c) The actual costs of designs, surveys, prints and engineering or other such labor involved in the preparation or actual construction required.

(d) The direct costs of any easements, make-ready or other third party actions required to perform and complete construction such as, but not limited to, power companies, telephone companies, road work, trenching or the like.

(e) In addition, the applicant shall pay to Cablevision a sum equal to twenty percent (20%) of the entire actual cost of construction as set forth above.

(f) In the event additional commercial subscribers come on-line in an area in which service extension has been provided in accordance herewith, each additional subscriber shall, in addition to the applicable installation rate, be required to contribute their pro-rata share of the original construction costs. Said pro-rata share shall be derived by dividing the original

construction cost by the number of then existing on-line subscribers including the additional subscriber(s).

(g) Any funds collected from additional subscribers will be retained by Cablevision in an interest-bearing account and distributed equitably so as to equalize all subscriber construction contributions. Distribution will be made two years after the original service extension was provided. After said two year period, there shall be no further apportionment of the original construction cost.

6. Record Keeping and Annual Reports. Cablevision shall maintain appropriate records of its costs, subscriber and applicant billings, and revenues resulting from a request for or the construction of a service extension.

7. Ownership of Facilities. Cablevision shall own and maintain the facilities for which a service extension is made and any applicant-subscriber shall not acquire any interest herein.

8. Method of Service Extension. Cablevision reserves the right to provide either an aerial or underground service extension.

9. Term of Service. The minimum term of at least basic subscriber service for an applicant requesting service extension, or his successors and assigns, shall be twenty-four (24) months after the service extension has been energized. Said term shall be guaranteed by the applicant in the service extension contract specified in Paragraph 4(c) hereof.

IN THE MATTER OF CABLEVISION OF HUDSON COUNTY, LLC FOR THE RENEWAL OF
ITS SYSTEM-WIDE CABLE TELEVISION FRANCHISE
DOCKET NO. CE17030183

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