

Agenda Date: 12/19/17 Agenda Item: IIIC

# STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314 Post Office Box 350 Trenton, New Jersey 08625-0350 <u>www.nj.gov/bpu/</u>

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OFFICE OF CABLE TELEVISION & TELECOMMUNICATIONS

IN THE MATTER OF THE APPLICATION OF CSC TKR, LLC FOR THE RENEWAL OF ITS SYSTEM-WIDE CABLE TELEVISION FRANCHISE ORDER OF AMENDMENT

DOCKET NO. CE16090920

Parties of Record:

Marilyn Davis, Altice USA, for CSC TKR, LLC Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel Yolanda M. Roberts, Clerk, City of Elizabeth Gabriella Siboni, Clerk, Borough of Milltown Daniel A. Torrisi, Clerk, City of New Brunswick

BY THE BOARD:<sup>1</sup>

On February 11, 2010, in Docket No. CE10010024, the Board of Public Utilities ("Board") issued an order memorializing the conversion by CSC TKR, LLC of its municipal franchise in the Borough of Allentown to a system-wide cable television franchise in the above referenced docket number. Orders of Amendment were issued by the Board: on August 4, 2010; on September 16, 2010; on December 6, 2010: on February 10, 2011; on September 21, 2011; on December 18, 2013; and on February 24, 2016, to include an additional 32 municipalities in the CSC TKR, LLC System-wide Cable Television Franchise. On February 22, 2017, the Board issued a Renewal System-wide Cable Television Franchise to CSC TKR, LLC, for a term of seven years to expire on February 11, 2024. By this Order of Amendment, the Board memorializes the automatic conversion of the municipal franchises in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick to CSC TKR, LLC's system-wide cable television franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that February 22, 2017 Order, except with respect to the line extension policies in each municipality and the addition of a local office in the City of Elizabeth.

# BACKGROUND

On October 5, 2017, CSC TKR, LLC filed notice with the City of Elizabeth, the Borough of Milltown and the City of New Brunswick that it would convert its municipal franchise in the

<sup>&</sup>lt;sup>1</sup> Commissioner Upendra J. Chivukula did not participate.

municipalities to its system-wide cable television franchise, stating that it would abide by the provisions of <u>N.J.S.A.</u> 48:5A-28(h)-(n). That notice was received by the Board on October 6, 2017.

### **DISCUSSION AND FINDINGS**

In 2006, the Legislature passed amendments to the Cable Television Act (the "Act"), <u>P.L.</u>1972, <u>c.</u>186, allowing cable television operators to apply for and receive a System-wide Cable Television Franchise from the Board. <u>P.L.</u> 2006, <u>c.</u> 83. Under <u>N.J.S.A.</u> 48:5A-25.1, a cable television operator with municipal franchises issued prior to the effective date of the Act may automatically convert any or all of its municipal franchises upon notice to the Board and to the affected municipality without meeting the requirements applicable to cable television operators applying for a system-wide cable television franchise, except that the commitment requirements under <u>N.J.S.A.</u> 48:5A-28(h)-(n) shall be applicable to all system-wide cable television franchises, including conversions. <u>N.J.S.A.</u> 48:5A-28(h)-(n) impose requirements on all cable television companies operating under a system-wide cable television franchise, including conversions; public, educational and governmental ("PEG") access channels; interconnection with other cable television companies; free cable and Internet service to public schools and municipal buildings; training and equipment for access users; PEG access return feeds; and compliance with customer protection regulations. As noted above, CSC TKR, LLC has committed to provide service to the municipality as required by these provisions.

The Board adopted rules for application and enforcement of the Act. In particular, <u>N.J.A.C.</u> 14:18-14.13 provides a cable television company currently operating under municipal consent and Certificate of Approval authority issued prior to the effective date of <u>P.L.</u> 2006, <u>c.</u> 83 may convert any Certificate of Approval into a system-wide cable television franchise upon notice to the Board and to the affected municipality of its intention. Further, a cable television company operating under a system-wide cable television franchise may add municipalities to its system-wide cable television franchise upon notice to the Board and the affected municipality via certified mail pursuant to <u>N.J.A.C.</u> 14:18-14.14.

As discussed above, the Act allows a cable television company, operating under a municipal consent and certificate of approval issued prior to 2006, to automatically convert the municipal franchise to a system-wide cable television franchise without approval from the Board or the affected municipality, and such conversion of additional municipal franchises may be added to the system-wide cable television franchise at any time during the term of the system-wide cable television franchise at any time during the term of the system-wide cable television franchise at any time during the term of the system-wide cable television franchise at any time during the term of the system-wide cable television franchise. <u>N.J.S.A.</u> 48:5A-25.1(a). Furthermore, <u>N.J.S.A.</u> 48:5A-19 provides that a certificate of approval issued by the board shall be valid for 15 years from the date of issuance . . . or until the expiration, revocation, termination or renegotiation of any municipal consent upon which it is based, whichever is sooner.

CSC TKR, LLC's Certificate of Approval for the City of Elizabeth expired on November 9, 2017 and its Certificate of Approval for the City of New Brunswick expired on June 26, 2007. However, CSC TKR, LLC had earlier initiated franchise renewal proceedings with the municipalities, therefore it remained authorized to continue providing cable television service to the municipalities pending disposition of franchise renewal proceedings pursuant to <u>N.J.S.A.</u> 48:5A-25. CSC TKR, LLC provided notice to the Board and to the municipalities of its intent to convert to a system-wide cable television franchise. As CSC TKR, LLC automatically converted its municipal franchises in the City of Elizabeth and the City of New Brunswick to a system-wide cable television franchise pursuant to <u>N.J.S.A.</u> 48:5A-25.1(a), the Board <u>FINDS</u> that the

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Certificates of Approval for the City of Elizabeth and the City of New Brunswick has expired by operation of law pursuant to <u>N.J.S.A.</u> 48:5A-19.

CSC TKR, LLC's Certificate of Approval for the Borough of Milltown is set to expire on June 22, 2021. CSC TKR, LLC provided notice to the Board and to the municipality of its intent to convert to a system-wide cable television franchise. As CSC TKR, LLC has automatically converted its municipal franchise to a system-wide cable television franchise pursuant to <u>N.J.S.A.</u> 48:5A-25.1(a), the Board <u>FINDS</u> that the Certificate of Approval for the Borough of Milltown is hereby terminated pursuant to <u>N.J.S.A.</u> 48:5A-19.

By this order, the Board memorializes the conversion of the municipal franchises for the City of Elizabeth, the Borough of Milltown, and the City of New Brunswick, to be added to the CSC TKR, LLC system-wide cable television franchise pursuant to <u>N.J.S.A.</u> 48:5A-25.1(a) and subject to the requirements of <u>N.J.S.A.</u> 48:5A-28(h)-(n).

With regard to a system-wide franchise under <u>N.J.S.A.</u> 48:5A-28(h), a cable television company is required to meet or exceed the operative line extension policy ("LEP") commitments at the time the franchise is granted. Therefore, because CSC TKR, LLC was authorized to operate cable television systems under municipal franchises in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick, it is required to continue to provide, at a minimum, service to any residence in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick, it is required to conversion. Accordingly, in the City of Elizabeth, CSC TKR, LLC shall provide service to all residents along any public right-of-way at no cost beyond its standard and non-standard installation charges. Installations to commercial establishments shall be constructed in accordance with CSC TKR, LLC's commercial installation rates on file with the Board. In the Borough of Milltown and the City of New Brunswick, CSC TKR, LLC shall provide service outside its Primary Service Area ("PSA") in accordance with the LEP attached to the February 22, 2017 Renewal System-wide Cable Television Franchise Order with a homes per mile figure ("HPM") of 25.

With respect to local offices, in the February 22, 2017 System-wide Cable Television Franchise Renewal order, the Board noted that CSC TKR, LLC currently maintains a number of local offices where applications for service, complaints, service inquiries, bill payments, and so forth will be received: 275 Centennial Avenue, Piscataway, New Jersey; 683 Route 10 East, Randolph, New Jersey; 2137 Hamilton Avenue, Hamilton, New Jersey; and 2909 Washington Road, Parlin, New Jersey. By this order, the System-wide Cable Television Franchise order is **AMENDED** to reflect CSC TKR, LLC's authority to operate a cable television system is subject to the additional condition that a local office be maintained to serve the City of Elizabeth: 536 North Broad Street, Elizabeth, New Jersey. CSC TKR, LLC shall maintain its local offices in accordance with applicable law.

## CONCLUSION

The Board <u>HEREBY RATIFIES</u> the automatic conversion of the municipal franchises in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick to CSC TKR, LLC's system-wide cable television franchise. This Order of Amendment serves to memorialize the automatic conversion of the municipal franchises in the City of Elizabeth, the Borough of Milltown and the City of New Brunswick to CSC TKR, LLC's system-wide cable television franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that February 22, 2017 Order, except with respect to the LEP in each municipality and the addition of a local office in the City of Elizabeth.

CSC TKR, LLC 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. CSC TKR, LLC shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> § 76.1 <u>et seq.</u>, including, but not limited to, the technical standards 47 <u>C.F.R.</u> § 76.601 through § 76.630. Any modifications to the provisions thereof shall be incorporated into the system-wide cable television franchise.

Failure to comply with all applicable laws, rules, regulations or orders of the Board or the Office of Cable Television or the terms, conditions or limitations set forth herein may subject CSC TKR, LLC to penalties, as enumerated in <u>N.J.S.A.</u> 48:5A-51, and may constitute sufficient grounds for the suspension or revocation of the system-wide cable television franchise.

This Order of Amendment to the system-wide cable television franchise is issued on the representation that the statements contained in CSC TKR, LLC's applications, notices, and other writings are true, and the undertakings therein contained shall be adhered to and be enforceable, unless a specific waiver is granted by the Board or the Office of Cable Television pursuant to the authority contained in <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>

This Order shall be effective on December 29, 2017.

DATED: 12/ 19/17 BOARD OF PUBLIC UTILITIES BY: RICHARD S. MRØZ PRESIDENT JOSEPH L. FIORDALISO COMMISSIONER COMMISSIONER DIANNÉ SOLOMON COMMISSIONER I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities ATTEST: IRENE KIM ASBUR SECRETARY

## IN THE MATTER OF THE APPLICATION OF CSC TKR, LLC FOR THE RENEWAL OF ITS SYSTEM-WIDE CABLE TELEVISION FRANCHISE

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