



Agenda Date: 10/29/18
Agenda Item: IIIA

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

OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF)
COMCAST OF 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 CITY OF ORANGE TOWNSHIP,)
COUNTY OF ESSEX, STATE OF NEW JERSEY) DOCKET NO. CE18070830

Parties of Record:

Dennis C. Linken, Esq., Scarinci Hollenbeck, LLC, on behalf of Comcast of New Jersey II, LLC
Joyce L. Lanier, Clerk, City of Orange Township, New Jersey

BY THE BOARD:¹

On November 3, 1976, the Board of Public Utilities ("Board") granted Suburban Cablevision ("Suburban") a Certificate of Approval ("Certificate") in Docket No. 765C-6159 for the construction, operation and maintenance of a cable television system in the City of Orange Township ("City"). On December 24, 1991, the Board granted Suburban a Renewal Certificate of Approval for the City, in Docket No. CE91081365. Through a series of transfers, with the required Board approvals, the current holder of the Certificate is Comcast of New Jersey II, LLC ("Petitioner"). On March 18, 2004, the Board granted the Petitioner a Renewal Certificate of Approval for the City, in Docket No. CE04010034. Although by its terms the Petitioner's above-referenced Certificate expired on November 3, 2016, the Petitioner is authorized to continue to provide cable television service to the City 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 City on February 4, 2016, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 to -13.9. On June 6, 2018, the City, after a public hearing, adopted a municipal ordinance granting renewal consent to the Petitioner. On June 22, 2018, the Petitioner formally accepted the terms and conditions

¹ Commissioner Robert M. Gordon recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

of the ordinance. On July 30, 2018, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval.

The Board 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 and Telecommunications, 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 City reviewed these qualifications in conjunction with the municipal consent process. N.J.S.A. 48:5A-22 to -29, N.J.A.C. 14:18-13.
2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate, and proper service.
3. The Petitioner represented that all previously required construction within the franchise territory is complete.
4. The franchise period as provided in the ordinance is ten (10) years. The Board finds this duration to be reasonable.
5. The City may review the performance of the Petitioner with regard to the ordinance at its discretion. If the City determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the City shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner ninety (90) days to cure such deficiency. The City may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, but only after the ninety (90) day opportunity to cure has passed and the deficiency has not been cured.
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 and Telecommunications. 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.
7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the City. In this case, it is the Office of Cable Television and Telecommunications. All complaints shall be received and processed in accordance with the applicable rules.
8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating, and resolving complaints. Currently, the designated local business office serving this purpose is located at 2345 US Route 22, Union, New Jersey.

9. The franchise fee to be paid to the City is specified to be two percent (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 City, 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 two percent (2%) of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
10. The Petitioner shall provide service to any residence or business along any public right-of-way located in the Primary Service Area at no cost beyond standard and non-standard installation charges as set forth in the Petitioner's application and ordinance. For any extension outside of the Primary Service Area, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate ("Appendix I"). The minimum homes per mile figure is thirty-five (35).
11. The Petitioner shall provide public, educational, and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall provide and maintain one (1) dedicated local access channel for use by the City for the purpose of cablecasting non-commercial access programming. The Petitioner shall continue to maintain two (2) fiber optic return lines from City Hall and Orange High School with a video switch for the purpose of originating programming to be shown on the local access channel.
12. Within one (1) year of written request from the City, the Petitioner shall provide and maintain an additional dedicated access channel for use by the City for the purpose of cablecasting non-commercial access programming.
13. The Petitioner shall maintain a system-wide public access channel for use by qualified individuals and organizations in the municipalities served by the Petitioner's system. The Petitioner shall make available a mobile production unit for the purpose of non-commercial community access programming production.
14. Within six (6) months of issuance of this Certificate, the Petitioner shall pay the City a grant in the amount of \$75,000 to meet the access and technology needs of the City. Upon payment, the Petitioner shall provide the Office of Cable Television and Telecommunications with proof of satisfaction of this obligation.
15. The Petitioner shall provide standard installation and monthly basic cable television service, free of charge, on one outlet to each public and private elementary, intermediate, and secondary school or future school in the City. To qualify for free installation, the school must be within 200 feet of the Petitioner's active cable television plant. Each additional outlet installed, if any, shall be paid for on a materials plus labor basis by the school or entity requesting the installation. Monthly service charges shall be waived on all additional outlets, except for equipment.
16. The Petitioner shall provide standard installation and monthly basic cable television service, free of charge, on one outlet to the public library and public

library branches in the City. Monthly service charges shall be waived on all additional outlets, except for equipment.

17. The Petitioner shall provide the standard installation and basic cable television service, free of charge, on three (3) outlets to the municipal building, fire department, police department, first aid squad, and community rooms of all senior citizen facilities, as well as to other future senior citizen facilities and future municipal facilities that are located in or may be constructed within the City. To qualify for free installation, the facility must be within 200 feet of the Petitioner's active cable television plant. Each additional outlet installed, if any, shall be paid for on a materials plus labor basis by the municipality. Monthly service charges shall be waived on all additional outlets, except for equipment.
18. The Petitioner shall provide one (1) non-networked outlet of basic Internet service, via high speed cable modem, free of charge, to each public and private elementary, intermediate, and secondary school and to the public library in the City. To qualify for free installation, the facility must be within 200 feet of the Petitioner's active cable television plant. The connection shall be installed in a location accessible for library patron and student use, and shall not be restricted to administrative use.
19. The Petitioner shall provide one (1) non-networked outlet of basic Internet service, via high speed cable modem, free of charge, in the community rooms of all existing and future senior citizen facilities in the City. To qualify for free installation, the facility must be within 200 feet of the Petitioner's active cable television plant. The connection shall be installed in a location accessible to residents of the facilities and shall not be restricted to administrative use.
20. Upon reasonable written request of the City, the Petitioner's representatives shall appear at a public hearing of the governing body or before the City's Cable Television Advisory Committee to discuss matters pertaining to the provision of cable television service to residents of the City and other related issues as the City and the Petitioner may see fit.

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 to -64; 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; that the Petitioner 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, own, operate, and maintain a cable television system within the entirety of the City.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television and Telecommunications, 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, or orders of the Board or Office of Cable Television and Telecommunications, or the terms, conditions, and limitations set forth herein, may constitute sufficient grounds for the suspension or revocation of this Certificate.

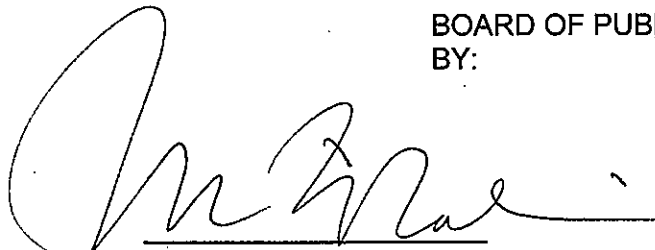
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein shall be adhered to and enforceable unless a specific waiver is granted by the Office of Cable Television and Telecommunications pursuant to the authority contained in N.J.S.A. 48:5A-1 to -64.


This Certificate shall expire on November 3, 2026.

This Order shall be effective on November 8, 2018.


DATED: 10/29/18

BOARD OF PUBLIC UTILITIES
BY:

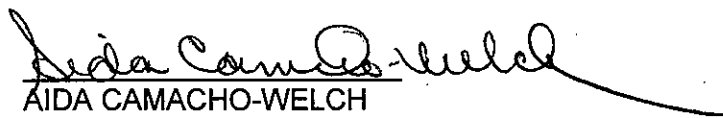

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:


AIDA CAMACHO-WELCH
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 AND TELECOMMUNICATIONS
LINE EXTENSION POLICY

COMCAST OF NEW JERSEY II, LLC
CITY OF ORANGE TOWNSHIP

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 thirty (30) days of such a request.
2. Begin construction within sixty (60) days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six (6) 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 (5) years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five (5) 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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TOWNSHIP, COUNTY OF ESSEX, STATE OF NEW JERSEY
DOCKET NO. CE18070830

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