Agenda Date: 2/27/08 Agenda Item: III A



STATE OF NEW JERSEY Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.nj.gov/bpu

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF TWFANCH-ONE, CO. D/B/A TIME WARNER CABLE FOR A RENEWAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE BOROUGH OF ENGLEWOOD CLIFFS, COUNTY OF BERGEN, STATE OF NEW JERSEY AUTOMATIC RENEWAL CERTIFICATE OF APPROVAL

DOCKET NO. CE07120962

SERVICE LIST ATTACHED

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BY THE BOARD:

On October 29, 1976, the Board of Public Utilities ("Board") granted Vision Cable of Pinellas d/b/a Vision Cable Television ("Vision") a Certificate of Approval in Docket No. 769C-6209 for the construction, operation and maintenance of a cable television system in the Borough of Englewood Cliffs ("Borough"). On August 18, 1992, the Board granted Vision a Renewal Certificate of Approval for the Borough in Docket No. CE91091542, which was amended on September 24, 1992 to correct the expiration date. Through a series of transfers with required Board approvals, the current holder of the Certificate is TWFanch-One, Co. d/b/a Time Warner Cable ("Petitioner"). Although the Petitioner's above referenced Certificate expired on October 29, 2007, it is authorized to continue to provide cable television service to the Borough pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

On December 20, 2007, the Petitioner filed with the Board for Automatic Renewal of its Certificate of Approval for the Borough, pursuant to <u>N.J.S.A.</u> 48:5A-16, -19 and -25 and

<u>N.J.A.C.</u> 14:17-6.9 and 14:18-13.6. The filing indicates that the Borough had adopted an ordinance on May 15, 1991, granting renewal municipal consent for a term of 15 years with automatic renewal for an additional term of ten years.

The Board has reviewed the petition for an Automatic Renewal Certificate of Approval and the Application filed therein by the Petitioner. Based upon this review and the recommendation of the Office of Cable Television, the Board <u>HEREBY</u> FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval.
- 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 ten 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 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. 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 for the purpose of receiving, investigating and resolving complaints. The current local office is located at 200 Roosevelt Place in the Borough of Palisades Park, New Jersey.
- 8. The franchise fee to be paid to the Borough 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 Borough, and shall be increased as required by <u>N.J.S.A.</u> 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.

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- 9. The Petitioner shall proffer service along any public right-of-way to any person's residence or business in the Borough at no cost beyond charges for standard and non-standard installation on file with the Office of Cable Television. For any future construction within the Borough, the Petitioner shall use the line extension policy attached to this Certificate as Appendix "I" with a homes per mile figure of 25.
- 10. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with the application filed with the petition for Renewal Certificate of Approval, the previous Renewal Certificate of Approval and the Borough's ordinance. Specifically, the Petitioner shall provide access time for non-commercial PEG access entities on a PEG access channel. Public access is administered by the Petitioner, and programming may be produced at the Petitioner's studio in the Borough of Palisades Park. The Petitioner also maintains a local origination channel, which airs some local access programming. The channels are shared with other municipalities in the Petitioner's system.
- 11 The Petitioner shall provide or continue to provide installation and basic cable service to each school and library in the Borough, free of charge.

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

Therefore, the Petitioner is <u>HEREBY</u> ISSUED this Automatic Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

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 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards of 47 <u>C.F.R.</u> §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.

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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 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 October 29, 2017.

DATED: 3 14/08

FREDERICK F./BU

COMMISSIONER

BOARD OF PUBLIC UTILITIES BY:

ANNE M. FOX

PRESIDENT

L. FIORDALISO **COMMISSIONER**

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CHRISTINE V. BATOR COMMISSIONER

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ATTEST:

SECRETARY

APPENDIX "I"

LINE EXTENSION POLICY

TWFANCH-ONE, CO. D/BA TIME WARNER CABLE BOROUGH OF ENGLEWOOD CLIFFS

Time Warner Cable (a/k/a "TWC") shall be required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system, as detailed hereinbelow. Actual subscribers served by the extension are required to absorb the remainder of the cost, as also detailed hereinbelow.

If new subscribers are added (within two years) to the area served by an extension, the cost shall be adjusted (by recomputing step 5 below) and those who previously paid a portion of the cost of the extension shall receive an appropriate rebate (provided, however, that no such rebate shall exceed the subscriber's contribution).

The following will be utilized to determine the respective costs to be borne by TWC and potential subscribers in connection with a proposed extension of plant:

A. If the average density of homes per mile ("HPM") (measured within 150 feet of the existing public right-of-way, if the area is to be served aerially, or 100 feet if the area is to be served underground) to be passed by the proposed extension is 25 or more, TWC will build the extension at its full cost.

B. If the average density HPM is less than 25, the cost of the extension will be shared in accordance with the following formula:

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- 1. <u># of homes in extension</u> = mileage of extension
- 2. <u>HPM of extension</u> Minimum HPM that company actually constructs in the system (i.e., 25)
- 3. Total cost of building the extension times "A"
- 4. Total cost of building extension less TWC's share of extension cost
- 5. Total amount to be = <u>recovered from subs</u> Total subscribers in extension

- homes per mile (HPM) of extension
- ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
- TWC's share of extension cost
- total amount to be recovered from subscribers
 - each subscriber's share

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