



Agenda Date: 4/27/11
Agenda Item: IIIIF

STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center, Suite 801
Newark, NJ 07102
www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF CABLEVISION OF HUDSON) ORDER OF AMENDMENT
COUNTY, LLC FOR THE CONVERSION TO A SYSTEM-)
WIDE FRANCHISE IN THE TOWNSHIP OF NORTH)
BERGEN AND THE TOWNSHIP OF WEEHAWKEN) DOCKET NO. CE10050328

Adam Falk, Vice President, Government and Regulatory Affairs, Cablevision Systems Corporation, Bethpage, New York, for Cablevision of Hudson County

Township Clerk, Township of North Bergen, New Jersey, by Erin Barillas; and
Township Clerk, Township of Weehawken, New Jersey, by Rola Dahboul, for the Townships.

BY THE BOARD:

On August 4, 2010, the Board issued an order memorializing the conversion by Cablevision of Hudson County, LLC ("Cablevision of Hudson County") of its municipal consent-based franchise in the City of Hoboken to a System-wide Franchise in the above referenced docket number for a term of seven years to expire on May 11, 2017.

Pursuant to N.J.S.A. 48:5A-25.1 and N.J.A.C. 14:18-14.13, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of P.L. 2006, c. 83 ("System-wide Cable Television Franchise Act" or "the Act") may automatically convert any or all of its municipal consent-based franchises upon notice to the Board and to the affected municipality or municipalities. In addition, pursuant to N.J.A.C. 14:18-14.14, a cable television company operating under a system-wide franchise may add municipalities to its system-wide franchise upon notice to the affected municipality or municipalities and the Board. On February 28, 2011, Cablevision of Hudson County filed notice with the Township of North Bergen and the Township of Weehawken ("the Townships") that it would convert its municipal consent ordinance-based franchises in the Townships, thereby making them part of its Cablevision of Hudson County system-wide franchise; and confirmed that it would abide by the provisions of N.J.S.A. 48:5A-28 (h)-(n), as required by the System-wide Cable Television Franchise Act. That notice was received by the Board on March 1, 2011.

DISCUSSION

Under N.J.S.A. 48:5A-25.1, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of P.L.2006 c. 83 may automatically convert any or all of its municipal consent-based 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 franchise, except that the commitment requirements under N.J.S.A. 48:5A-28 (h)-(n) shall be applicable to all system-wide franchises, including conversions. N.J.S.A. 48:5A-28(h)-(n) impose requirements on all cable television companies operating under a system-wide franchise and includes commitments as to line extensions; 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, Cablevision of Hudson County has committed to provide service to the Townships as required by these provisions.

DISPOSITION OF CERTIFICATE OF APPROVAL AND UNDERLYING MUNICIPAL CONSENT

As discussed above, the Act allows a cable television company, operating under a municipal consent ordinance-based franchise, to "automatically convert" its system in any or all of its municipalities without approval from the Board or the impacted municipalities. N.J.S.A. 48:5A-25.1(a). Furthermore, N.J.S.A. 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."

Cablevision of Hudson County's Certificate of Approval and the underlying municipal consent ordinance in the Township of Weehawken expired on February 28, 2006. Cablevision of Hudson County initiated renewal proceedings with the Township of Weehawken and was thereby authorized to continue to provide cable television service to the Township of Weehawken pursuant to N.J.S.A. 48:5A-25, pending disposition of the proceedings regarding the renewal of its Certificate. Because Cablevision of Hudson County has now converted its municipal consent based-franchise in the Township of Weehawken to a system-wide franchise, pursuant to N.J.S.A. 48:5A-19 and N.J.S.A. 48:5A-25.1(a), the Board **FINDS** that Cablevision of Hudson County's Certificate of Approval for the Township of Weehawken has expired by operation of law.

Cablevision of Hudson County's Certificate of Approval and the underlying municipal consent ordinance in the Township of North Bergen was set to expire on July 12, 2017. Because Cablevision of Hudson County has now converted this municipal consent based-franchise to a system-wide franchise, pursuant to N.J.S.A. 48:5A-19 and N.J.S.A. 48:5A-25.1(a), the Board **FINDS** that Cablevision of Hudson County's Certificate of Approval for the Township of North Bergen is hereby terminated.

Cablevision of Hudson County is authorized to provide cable television service to the Townships, pursuant to its converted System-wide franchise and the requirements of N.J.S.A. 48:5A-28(h)-(n) and applicable law.

With regard to N.J.S.A. 48:5A-28(h), a system-wide cable television franchise operator is required to meet or exceed the line extension policy ("LEP") commitments of the cable television company operating under a municipal consent ordinance-based franchise at the time the franchise is granted. Therefore, Cablevision of Hudson County as the incumbent municipal consent-based franchise holder is required, in the Township of Weehawken, to provide service to all residents and businesses at no cost beyond the installation rates as contained in its schedule of prices, rates, terms and conditions on file with the Board. In the Township of North Bergen, Cablevision of Hudson County shall provide service to all residents in the Township at no cost beyond standard and non-standard installation rates, contained in its schedule of prices, rates, terms and conditions filed with the Board. Commercial establishments shall be constructed in accordance with Cablevision of Hudson County's commercial line extension policy attached to this order as Appendix "I."

Based upon the elements of the System-wide Franchise, and the legal mandates under which the Board operates, this Order **HEREBY COMMEMORATES** the addition of the Townships to Cablevision of Hudson County's System-wide Franchise.

This Order of Amendment to the System-wide Franchise serves to add the Township of North Bergen and the Township of Weehawken to Cablevision of Hudson County's System-wide Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that August 4, 2010 Order.

Without limitations to the full requirements set forth in that Order, the Board reminds Cablevision of Hudson County that, under the System-wide Franchise, it 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. To the extent possible based upon the technology used in providing service, Cablevision of Hudson County shall adhere to the 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 the System-wide 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 subject Cablevision of Hudson County to penalties, as enumerated in N.J.S.A. 48:5A-51, and/or may constitute sufficient grounds for the suspension or revocation of the System-wide Franchise.

This Order of Amendment to the System-wide Franchise is issued on the representation that the statements contained in Cablevision of Hudson County's applications, notices, and other writings 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.

DATED: 4/27/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT

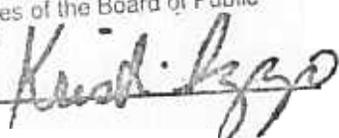

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
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


SERVICE LIST

**IN THE MATTER OF CABLEVISION OF HUDSON COUNTY, LLC FOR THE CONVERSION
TO A SYSTEM-WIDE CABLE TELEVISION FRANCHISE FOR THE TOWNSHIP OF NORTH
BERGEN AND THE TOWNSHIP OF WEEHAWKEN**

**ORDER OF AMENDMENT
DOCKET NO. CE10050328**

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APPENDIX "I"

CABLEVISION OF HUDSON COUNTY, LLC SYSTEM-WIDE 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.