



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

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF)
PATRIOT MEDIA AND COMMUNICATIONS)
CNJ, LLC FOR A RENEWAL CERTIFICATE)
OF APPROVAL TO CONTINUE TO)
CONSTRUCT, OPERATE AND MAINTAIN A)
CABLE TELEVISION SYSTEM AND CABLE)
COMMUNICATIONS SYSTEM IN AND FOR)
THE BOROUGH OF MILLSTONE, COUNTY)
OF SOMERSET, STATE OF NEW JERSEY |)

RENEWAL
CERTIFICATE OF APPROVAL

DOCKET NO. CE06070538

SERVICE LIST ATTACHED

BY THE BOARD:

On May 12, 1981, the Board granted Hillsborough Cablevision a Certificate of Approval, in Docket No. 808C-6706, for the construction, operation and maintenance of a cable television system in the Borough of Millstone ("Borough"). Due to a series of Board approved transfers, the Certificate was transferred to RCN of New Jersey, Inc. ("RCN"). On February 6, 2003, in Docket No. CM02090653, the Board approved the sale and transfer of the Certificate of Approval from RCN to the current holder of the certificate, Patriot Media & Communications CNJ, LLC ("Petitioner"). On March 24, 2003, the Board issued a Renewal Certificate of Approval to the Petitioner in Docket No. CE99090716. Although by its terms the Petitioner's above referenced Certificate expired on May 12, 2006, the Petitioner 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.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on or about July 14, 2005, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. On June 19, 2006, after public hearing, the Borough adopted an ordinance granting renewal

municipal consent to the Petitioner. On June 28, 2006, the Petitioner formally accepted the terms and conditions of the ordinance.

On July 20, 2006, pursuant to N.J.S.A. 48:5A-16, Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Board has 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, 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, these qualifications were reviewed by the Borough in conjunction with the municipal consent process.
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 15 years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
5. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I") to any new public street and any commercial areas as specified by the ordinance. The minimum homes per mile ("HPM") figure is 25.
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. The Petitioner shall maintain informational tariffs for unregulated service rates, 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 Borough. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with applicable rules.
8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. Currently, the local office serving this provision is located at 100 Randolph Road in Somerset, New Jersey.
9. 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. 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.
10. The Petitioner shall provide public, educational, and governmental ("PEG") access services and facilities as described in the application and the ordinance.

11. The Petitioner shall provide two PEG access channels which may be shared with other municipalities. Currently, the Petitioner provides one educational access channel, one governmental access channel and one public access channel that is shared with the local origination channel. The Petitioner shall also provide the Borough's PEG access users with reasonable assistance in producing programming. The Petitioner shall also select various events of local interest for video coverage using mobile facilities and production personnel.
12. The Petitioner shall provide one standard installation and basic monthly service in each school and/or library in the Borough, free of charge. Upon request of any school and/or library in the Borough, the Petitioner agrees to install additional outlets on a materials plus labor basis. Monthly service rates shall be charged at the regular tariff rates for additional outlets.
13. The Petitioner shall provide, free of charge, Internet service, one outlet and standard installation to the Borough's Municipal Building. The Petitioner also agrees to provide, free of charge, one outlet, a telephone modem and standard installation and Internet Protocol telephone service, in the Borough's Municipal Building, with appropriate signage as the Petitioner may request.
14. Within three months of issuance of this Certificate, the Petitioner shall provide the Borough with a capital contribution in the amount of \$2,500.00 for technology related purposes. In lieu of said grant, the Borough may, at its discretion, request that the Petitioner purchase computer equipment on the Borough's behalf, in an amount of up to \$2,500.00 for use by the Borough at the Municipal Building. Upon completion, the Petitioner shall provide the Office of Cable Television with written confirmation that the above requirement has been satisfied. Any repair, maintenance or upgrade of such computer equipment shall be the sole responsibility of the Borough.
15. The Petitioner has agreed to offer a senior citizens/disabled discount as authorized by N.J.S.A. 48:5A-11.2 on the monthly limited basic service rate for persons meeting the eligibility requirements of N.J.S.A. 30:4D-21 and N.J.A.C. 14:18-3.20.

Based upon these findings, the Board **HEREBY CONCLUDES** that, pursuant to N.J.S.A. 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 N.J.S.A. 48:5A-1 et seq., that the Petitioner 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 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 **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system for the entirety of the Borough.

This 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 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 Certificate.

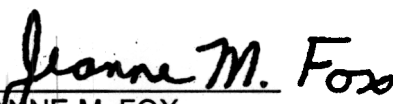
Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

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.

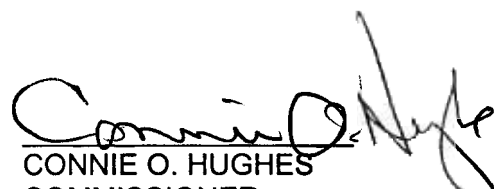
This Certificate shall expire 15 years from the date of its issuance.

DATED: 1/17/07

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


CONNIE O. HUGHES
COMMISSIONER

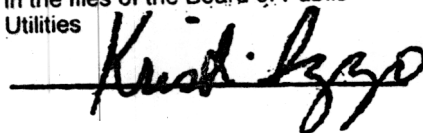

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
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



APPENDIX

Office of Cable Television Line Extension Policy

Company Patriot Media and Communications CNJ, LLC
Municipality Borough of Millstone

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 which 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 30 days of such a request.
2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six 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 years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five 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.

SERVICE LIST:

Dennis C. Linken, Esq.
Stryker, Tams & Dill
Two Penn Plaza
Newark, NJ 07105

Gregory Bonin, Borough Clerk
Borough of Millstone
1353 Main Street
Millstone, NJ 08844

John Gdovin
Patriot Media
100 Randolph Road
Somerset, NJ 08873

Celeste M. Fasone, Director
Office of Cable Television
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

Nancy J. Wolf
Coordinator, State and Local Planning, South
Office of Cable Television
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

Babette Tenzer, Esq.
Deputy Attorney General
Division of Law
State of New Jersey
124 Halsey Street
Newark, New Jersey 07102