



Agenda Date: 8/22/07
Agenda Item: 3 B

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 ALLEGED FAILURE OF)
PATRIOT MEDIA AND COMMUNICATIONS CNJ, LLC)
TO COMPLY WITH PROVISIONS OF THE NEW JERSEY)
CABLE TELEVISION ACT, N.J.S.A. 48:5A-1 et seq.,)
AND/OR THE NEW JERSEY ADMINISTRATIVE CODE,)
N.J.A.C. 14:18-1.1 et seq.

ORDER ACCEPTING
OFFER OF SETTLEMENT

DOCKET NO. CO07080571

SERVICE LIST ATTACHED

BY THE BOARD:

Patriot Media and Communications CNJ, LLC ("Patriot"), with its principle office located at 100 Randolph Road, First Floor, Somerset, New Jersey 08873, is a cable television system operator which provides cable television service to approximately 81,000 New Jersey customers in the Townships of Bedminster, Branchburg, Hillsborough, Montgomery, Franklin (Somerset), Chatham, Harding, Long Hill, Bethlehem, Clinton, Delaware, East Amwell, Flemington, Franklin (Hunterdon), Raritan, Readington, Union, Chester, Tewksbury, Mendham and Princeton, the Boroughs of Princeton, Bernardsville, Far Hills, Mendham, Millstone, Peapack & Gladstone, Rocky Hill, Lebanon and Chester and the Town of Clinton. The Board's Office of Cable Television ("Office"), Bureau of Inspection and Enforcement uncovered a number of apparent deficiencies during the course of a compliance review conducted as part of its review of a pending petition, Docket No. CM07040250, wherein Comcast Cable Communications Holdings, Inc. ("Comcast") seeks approval to acquire control of the cable system currently operated by Patriot Media. The Office served notice of its allegations that Patriot had not conformed to certain provisions of the New Jersey State Cable Television Act, N.J.S.A. 48:5A-1 et seq. and the New Jersey Administrative Code, N.J.A.C. 14:18-1.1 et seq., as more specifically set forth in Attachment 1 (Schedule of Alleged Violations). The aforementioned statutes and regulations require that all cable systems in New Jersey operate in a manner that protects the rights of the cable consumer.

As a result of correspondence, telephone conversations and settlement conferences between Patriot and the Office, Patriot, on August 2, 2007, submitted an Offer of Settlement concerning the non-conforming practices outlined on the attached schedule of the alleged violations.

Without admitting to any violations, Patriot submitted an Offer of Settlement concerning the alleged non-conforming practices which includes a monetary offer in the amount of \$4,000.00 in order to resolve all issues concerning the violations alleged by the Office.

The Board has reviewed the matter and HEREBY FINDS that the Offer represents a reasonable settlement of the alleged violations. Therefore, the Board HEREBY ACCEPTS the Offer of Settlement proffered by Patriot subject to the following conditions:

1. Patriot shall tender \$4,000.00, payable to Treasurer, State of New Jersey, within fifteen (15) days of the Board's acceptance of the Offer of Settlement.
2. Patriot shall, on an on-going basis, provide verified proof to the Office that all required quarterly and annual notices are sent to customers in accordance with N.J.S.A. 48:5A-26(c), N.J.A.C. 14:18-3.5 and N.J.A.C. 14:18-3.18 in the form of a true copy of the notices sent and proof of mailing the earlier of thirty (30) days from the completion of the mailing of such notices or ten (10) days following the end of the quarter or annual period for which the notice was sent. The Board's prior Order in Docket No. CO04020083 had the same required submission to the Office of these notices and the Board hereby reaffirms that requirement.
3. Patriot shall provide verified proof, including, where appropriate, certifications of continued compliance, to the Office no later than October 22, 2007, that appropriate corrective action was implemented as of the date of its Offer of Settlement to ensure that:
 - a. Patriot maintains complete copies of its current schedule showing all prices, rates, terms, conditions of service and service packages and disclose same to customers as required by N.J.A.C. 14:18-3.3(d), N.J.A.C. 14:18-3.4, N.J.A.C. 14:18-3.16(a)1, N.J.S.A. 48:5A-11 and N.J.S.A. 48:5A-36(b);
 - b. Patriot's customers have adequate access to company personnel so that customer phone calls are answered within the 30 second hold time as required by N.J.A.C. 14:18-7.8(a)2 and 47 C.F.R. §76.309(c); and
 - c. Patriot complies with all terms and conditions of Orders and directives issued by this Board and the Director as required by N.J.S.A. 48:5A-9.

The Office will monitor Patriot or its successor's future notice and filing requirements and procedures as set forth in the State Cable Television Act and the New Jersey Administrative Code.

The Board's acceptance of the Offer of Settlement is for purposes of this proceeding only, addresses only those specific allegations and timeframes in the Offer of Settlement, and shall not be construed as limiting the Board's authority in any other matter affecting Patriot or a successor company or operator.

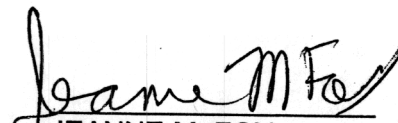
For purposes of assessing penalties for future offenses by Patriot, their parents, affiliates, subsidiaries and successors that may now or in the future operate the cable television systems that are the subject of this Offer of Settlement, such future offenses shall be considered subsequent offenses, in accordance with N.J.S.A. 48:5A-51(b).

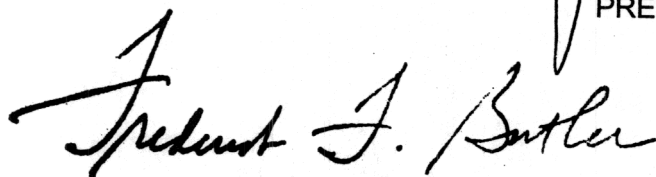
This Offer of Settlement, does not relieve Patriot, their parents, affiliates, subsidiaries and successors, from any liability for violations of any Board Orders not specifically enumerated herein that occur after June 30, 2007.

The Offer of Settlement does not include, and does not have any impact upon any party's allegation or claims, related to Patriot's 2004 Customer Complaint Report.

DATED: 8/22/07

BOARD OF PUBLIC UTILITIES
BY:

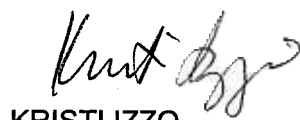

JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

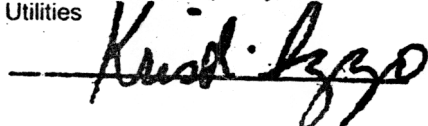

JOSEPH L. FIORDALISO
COMMISSIONER


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



**IN THE MATTER OF THE ALLEGED FAILURE OF PATRIOT MEDIA AND
COMMUNICATIONS CNJ, LLC TO COMPLY WITH PROVISIONS OF THE NEW JERSEY
CABLE TELEVISION ACT, N.J.S.A. 48:5A-1 et seq., AND/OR THE NEW JERSEY
ADMINISTRATIVE CODE, N.J.A.C. 14:18-1.1 et seq.**

OFFER OF SETTLEMENT

DOCKET NO. CO07080571

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Bureau of Inspection & Enforcement
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**ATTACHMENT 1
SCHEDULE OF ALLEGED VIOLATIONS**

OFFER OF SETTLEMENT

DOCKET NO. CO07080571

Patriot failed to provide customers with adequate information to assure they are served under the most advantageous schedule and demanded different compensation for its services, by failing to identify a sales tax provision for installations in the company's 2006 applicable filed tariff, pursuant to N.J.A.C. 14:18-3.3(b) and (d), N.J.A.C. 14:18-3.4(d), N.J.S.A. 48:5A-11(d) and N.J.S.A. 48:5A-36(b).

2. Patriot failed to comply with the FCC Customer Service Standards (30 second hold time) as required by N.J.A.C. 14:18-7.8(a) 2 and 47 C.F.R. § 76.309(c) for the fourth quarter of 2005.
3. Patriot failed to comply with the Board Order in Docket No. CE04020083, by failing to provide verified proof to the Office in a timely manner that its first quarter 2007 quarterly notices had been sent to customers in accordance with N.J.S.A. 48:5A-26(c), N.J.A.C. 14:18-3.5 and N.J.A.C. 14:18-3.18, in the form of a true copy of the notices sent and proof of mailing the earlier of thirty (30) days of the completion of such notices or ten (10) days following the end of the quarter for which the notice was sent, pursuant to N.J.A.C. 14:17-11.1.

STRYKER
TAMS & DILL LLP

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Please Reply to: Newark

August 13, 2007

Arlene E. Pasko
Deputy Attorney General
Department of Law and Public Safety
124 Halsey Street, 5th Floor
P.O. Box 45029
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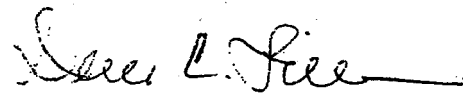
Re: In the Matter of the Alleged Failure of Patriot Media & Communications
CNJ, LLC to Comply with Certain Provisions of the New Jersey Cable
Television Act, N.J.S.A. 48:5A-1 et seq., The New Jersey Administrative
Code, N.J.A.C. 14:18-1.1 et seq., and a Certain Board Order
Docket No. CO07080571
Offer of Settlement

Dear Ms. Pasko:

On behalf of Patriot Media & Communications CNJ, LLC, and pursuant to our discussion
last week, enclosed please find a revised executed Offer of Settlement.

Needless to say, should you have any questions, please do not hesitate to contact me.

Very truly yours,



Dennis C. Linken

DCL:dp

enc.

cc: William H. Furlong, Chief

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
OFFICE OF CABLE TELEVISION**

STRYKER, TAMS & DILL LLP
Two Penn Plaza East
Newark, New Jersey 07105
(973) 491-9500

IN THE MATTER OF THE ALLEGED	)	
FAILURE OF PATRIOT MEDIA &	)	OFFER OF SETTLEMENT
COMMUNICATIONS CNJ, LLC TO COMPLY	)	
WITH CERTAIN PROVISIONS OF THE NEW	)	
JERSEY CABLE TELEVISION ACT, <u>N.J.S.A.</u>	)	Docket No. CO07080571
48:5A-1 <u>ET SEQ.</u> , THE NEW JERSEY	)	
ADMINISTRATIVE CODE, <u>N.J.A.C.</u> 14:18-1.1	)	
<u>ET SEQ.</u> , AND A CERTAIN BOARD ORDER	)	

WHEREAS, Patriot Media & Communications CNJ, LLC ("Patriot") owns and operates a cable television system in New Jersey, pursuant to N.J.S.A. 48:5A-1 et seq., and

WHEREAS, Patriot is subject to the jurisdiction of the Board of Public Utilities (the "Board") and the Office of Cable Television ("OCTV"), pursuant to the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq. (the "Act"), and the New Jersey Administrative Code, N.J.A.C. 14:17-1 et seq. and N.J.A.C. 14:18-1 et seq. (the "Regulations"); and

WHEREAS, New Jersey cable television companies are required to comply with the provisions of the Act, the Regulations and Board Orders issued thereunder; and

WHEREAS, the OCTV has conducted an investigation with regard to Patriot's compliance with the Act, the Regulations and Board Orders; and

WHEREAS, as a result of said review by the Board and investigation by the OCTV, the OCTV has alleged that Patriot has failed to comply with certain provisions of the Act and the Regulations; and

WHEREAS, Patriot wishes to amicably resolve the issues raised by the OCTV without the need for expensive and time-consuming litigation;

NOW, THEREFORE, Patriot submits this Offer of Settlement as follows:

- 1 The OCTV has alleged that Patriot has failed to comply with:
 - a. Act provisions and/or Regulations pertaining to tariff components.
 - b. Regulations pertaining to customer service standards.
 - c. Board Orders pertaining to verified proof of mailing for annual and quarterly customer notices.
- 2 Patriot will pay to the State of New Jersey the sum of Four Thousand Dollars (\$4,000.00) in full settlement with the Board and the OCTV of any violations or potential violations prior to July 1, 2007, of the Act, the Regulations or Board Orders, which violations or potential violations have been or could have been alleged by the Board or the OCTV against Patriot. Upon approval by the Board of this Offer of Settlement and payment as required hereinabove, the Board and the OCTV release Patriot and its parent, affiliates and successors, from any and all liability with respect to such violations or potential violations.
- 3 This Offer of Settlement does not relieve Patriot or its parent, affiliates and successors from any liability for violations of the Act, the Regulations or Board Orders that occur after June 30, 2007.
- 4 This Offer of Settlement also does not include, and does not impact upon, any allegation or claim with respect to the 2004 customer complaint report filed with the Board by or on behalf of Patriot. To the extent that said filing may involve a potential for liability on the part of Patriot, it will remain subject to enforcement or other Board appropriate action.
- 5 The execution of this Offer of Settlement shall neither be deemed an admission by Patriot of any violation of the Act, the Regulations or any Board Orders, nor a

determination by the Board or the OCTV that such a violation has occurred.

- 6 Any future repeated violation(s) of the Act, the Regulations or Board Orders by Patriot or its successors that may now or in the future operate the cable television system that is the subject of this Offer of Settlement, shall be deemed to be a subsequent violation, as appropriate, pursuant to the provisions of N.J.S.A. 48:5A-51(b), for the purpose of determining the amount of any applicable penalty.
7. Recognizing but notwithstanding the provisions of the foregoing paragraph, Patriot agrees to take the following actions. It will use its best efforts going forward to:
 - a. specify in its filed tariffs all rates, charges and taxes that may be passed on to a customer as set forth in N.J.S.A. 48:5A-11(d) and 48:5A-36(b) and N.J.A.C. 14:18-3.3(b) and (d), and 14:18-3.4(d).
 - b. achieve the Federal Communications Commission and State telephone customer service standards as set forth in 47 C.F.R. 76.309(c) and N.J.A.C. 14:18-7.8(a)2.
 - c. on an on-going basis, provide verified proof to the OCTV that all required quarterly and annual notices are sent to subscribers in accordance with N.J.S.A. 48:5A-26(c), N.J.A.C. 14:18-3.5 and N.J.A.C. 14:18-3.18 in the form of a true copy of the notices sent and proof of mailing the earlier of thirty (30) days after the completion of such notices or ten (10) days following the end of the quarter or annual period for which the notice was sent.
8. The execution of this Offer of Settlement shall not be relied upon by Patriot, its, parents, affiliates, subsidiaries or successors in an attempt to mitigate any future repeated violation of the Act, the Regulations or any Board Orders,

BY: 
Dennis C. Linken
Attorney for
Patriot Media & Communications CNJ, LLC

Dated: August 13, 2007