



Agenda Date: 9/16/10
Agenda Item: IIIB

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 CSC TKR, LLC FOR THE) SECOND ORDER OF
CONVERSION TO A SYSTEM-WIDE FRANCHISE IN) AMENDMENT
FIVE MUNICIPALITIES: THE TOWNSHIP OF HANOVER,)
THE BOROUGH OF MADISON, THE BOROUGH OF)
MANVILLE, THE TOWN OF MORRISTOWN AND THE)
BOROUGH OF SOMERVILLE) DOCKET NO. CE10010024

Adam Falk, Vice President, Government and Regulatory Affairs, Cablevision Systems Corporation, Bethpage, New York, for CSC TKR, LLC

Township Clerk/Administrator, Township of Hanover, New Jersey, by Joseph Giorgio;
Borough Clerk, Borough of Madison, New Jersey, by Elizabeth Osborne;
Borough Clerk, Borough of Manville, New Jersey by Philip Petrone;
Town Clerk, Town of Morristown, New Jersey, by Matthew Stechauner; and
Borough Clerk/Administrator, Borough of Somerville, New Jersey, by Kevin Sluka, for the municipalities.

BY THE BOARD:

On February 11, 2010, the Board issued an order memorializing the conversion by CSC TKR, LLC of its municipal consent-based franchise in the Borough of Allentown to a System-wide Franchise in the above referenced docket number for a term of seven years to expire on January 11, 2017. On August 4, 2010, the Board issued an Order of Amendment to include five additional municipalities: the Township of Denville, the Town of Dover, the Borough of Morris Plains, the Township of Rockaway and the Township of Warren.

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 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 July 19, 2010, CSC TKR, LLC filed notice with the Township of Hanover, the Borough of Madison, the Borough of Manville, the Town of Morristown and the Borough of Somerville (collectively, “the municipalities”) that it would convert its municipal consent ordinance-based franchises in the municipalities, thereby making them part of its CSC TKR, LLC 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 July 20, 2010.

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, CSC TKR, LLC has committed to provide service to the municipalities 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.”

CSC TKR, LLC’s Certificate of Approval and the underlying municipal consent ordinance in the Township of Hanover expired on October 17, 2007. CSC TKR, LLC initiated renewal proceedings with the Township of Hanover and was thereby authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of the proceedings regarding the renewal of its Certificate. Because CSC TKR, LLC has now converted the Township of Hanover’s 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 CSC TKR, LLC’s Certificate of Approval for the Township of Hanover has expired by operation of law.

CSC TKR, LLC’s Certificates of Approval and the underlying municipal consent ordinances in the Borough of Madison was set to expire on June 16, 2018; in the Borough of Manville on April 3, 2019; in the Town of Morristown on May 9 2023; and in the Borough of Somerville on October 25, 2013. Because CSC TKR, LLC has now converted these municipal consent based-franchises 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 CSC TKR, LLC's Certificates of Approval for the Borough of Madison, the Borough of Manville, the Town of Morristown and the Borough of Somerville are hereby terminated.

CSC TKR, LLC is authorized to provide cable television service to the municipalities, 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, because CSC TKR, LLC was the incumbent municipal consent-based franchise holder in these municipalities, it is required to continue to provide, at a minimum, service to any residence in the five municipalities in accordance with its policies in effect at the time of conversion. Accordingly, CSC TKR, LLC shall provide service to the primary service area ("PSA") of each municipality 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 Borough of Madison, CSC TKR, LLC shall extend cable television service to all residents in the Borough at no cost beyond standard and non-standard installation rates; no LEP shall be used. In the Township of Hanover, the Borough of Manville, the Town of Morristown, and the Borough of Somerville, CSC TKR, LLC shall provide service outside its PSA in accordance with the LEP attached to the original order with a homes per mile figure ("HPM") of 25.

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 municipalities to CSC TKR, LLC's System-wide Franchise.

This Second Order of Amendment to the System-wide Franchise serves to add the Township of Hanover, the Borough of Madison, the Borough of Manville, the Town of Morristown and the Borough of Somerville to CSC TKR, LLC's System-wide Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that February 11, 2010 Order, except with respect to maintaining the Borough of Madison as a full residential build.

Without limitations to the full requirements set forth in that Order, the Board reminds CSC TKR, LLC 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, CSC TKR, LLC 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 CSC TKR, LLC 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 Second Order of Amendment to the System-wide Franchise is issued on the representation that the statements contained in CSC TKR, LLC's applications, notices, and other writings are true, and the undertakings therein contained shall be adhered to and be enforceable unless

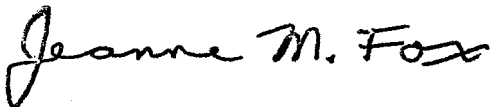
specific waiver is granted by the Board or the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

DATED:

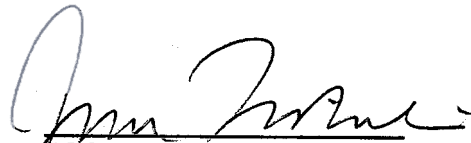
9/16/10

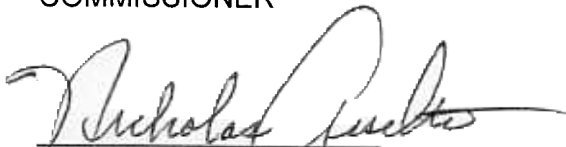
BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT



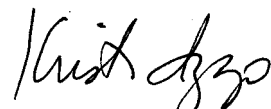
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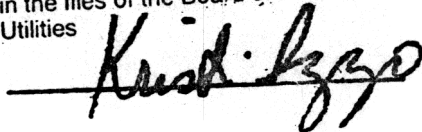

NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
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 CSC TKR, LLC FOR THE CONVERSION TO A SYSTEM-WIDE CABLE TELEVISION FRANCHISE FOR THE TOWNSHIP OF DENVILLE, THE TOWN OF DOVER, THE BOROUGH OF MORRIS PLAINS, THE TOWNSHIP OF ROCKAWAY AND THE TOWNSHIP OF WARREN

SECOND ORDER OF AMENDMENT DOCKET NO. CE10010024

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