

Agenda Date: 1/19/2011

Agenda Item: IIIC

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 OAKLAND,) FIFTH ORDER OF AMENDMENT
LLC FOR THE CONVERSION TO A SYSTEM-WIDE)
FRANCHISE IN TEN MUNICIPALITIES: THE CITY OF)
CLIFTON, THE BOROUGH OF HO-HO-KUS, THE)
TOWNSHIP OF LITTLE FALLS, THE BOROUGH OF)
LODI, THE BOROUGH OF MAYWOOD, THE)
BOROUGH OF NORTH CALDWELL, THE BOROUGH)
OF NORTH HALEDON, THE CITY OF PASSAIC, THE)
BOROUGH OF WOOD-RIDGE AND THE TOWNSHIP)
OF WYCKOFF) DOCKET NO. CE09030231

Adam Falk, Vice President, Government and Public Affairs, Cablevision Systems Corporation, Bethpage, New York, for Cablevision of Oakland

City Clerk, City of Clifton, New Jersey, by Barbara Nagy;
Borough Clerk, Borough of Ho-Ho-Kus, New Jersey, by Laura Borchers;
Township Clerk, Township of Little Falls, New Jersey, by William Wilk;
Borough Clerk, Borough of Lodi, New Jersey, by Debra Cannizzo;
Borough Clerk, Borough of Maywood, New Jersey, by Jean Pelligra;
Borough Clerk, Borough of North Caldwell, New Jersey, by Susan Best;
Borough Clerk, Borough of North Haledon, New Jersey, by Renate Elatab;
City Clerk, City of Passaic, New Jersey, by Amanda Curling;
Borough Clerk, Borough of Wood-Ridge, New Jersey, by Diane Thornley; and
Township Clerk, Township of Wyckoff, New Jersey, by Joyce Santimauro, for the municipalities.

BY THE BOARD:

On July 1, 2009, the Board of Public Utilities ("Board") issued an order memorializing the conversion by Cablevision of Oakland, LLC ("Cablevision of Oakland") of its municipal consent-based franchise in the Township of Cedar Grove to a System-wide Franchise in the above referenced docket number for a term of seven years to expire on March 20, 2016. On March 17, 2010, the Board issued an Order of Amendment to include the Borough of Bogota and the Borough of Ramsey into the Cablevision of Oakland System-wide franchise. On June 18, 2010, the Board issued a Second Order of Amendment to include eight additional municipalities: the City of Garfield, the Township of Nutley, the Village of Ridgewood, the Borough of River Edge, the Township of Rochelle Park, the Borough of Totowa, the Borough of Waldwick and the Borough of Westwood. On September 16, 2010, the Board issued a Third Order of Amendment

to include an additional eight municipalities: the Borough of Allendale, the Borough of Elmwood Park, the Borough of Glen Rock, the Borough of Hasbrouck Heights, the Borough of Midland Park, the Borough of Oakland, the Township of South Hackensack and the Township of Washington (Bergen County). On November 10, 2010, the Board issued a Fourth Order of Amendment to include an additional seven municipalities: the Borough of Franklin Lakes, the Borough of Haledon, the Borough of Hawthorne, the Borough of Park Ridge, the Borough of Prospect Park, the Township of Saddle Brook and the Borough of Upper Saddle River.

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 "Act") may automatically convert any or all of its municipal 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 November 19, 2010, Cablevision of Oakland filed notice with the City of Clifton, the Borough of Ho-Ho-Kus, the Township of Little Falls, the Borough of Lodi, the Borough of Maywood, the Borough of North Caldwell, the Borough of North Haledon, the City of Passaic, the Borough of Wood-Ridge and the Township of Wyckoff (collectively, "the municipalities") that it would convert its municipal consent ordinance-based franchises in the municipalities, thereby making them part of its Cablevision of Oakland System-wide franchise, and it 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 November 22, 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 the Act may automatically convert any or all of its municipal 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 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."

Cablevision of Oakland's Certificate of Approval and the underlying municipal consent ordinance in the City of Clifton expired on April 1, 2007; in the Borough of Ho-Ho-Kus expired on November 21, 2009; in the City of Passaic expired on August 3, 2009; in the Borough of Wood-Ridge expired on December 6, 2010; and in the Township of Wyckoff expired on December 14, 2009. Cablevision of Oakland initiated renewal proceedings with these municipalities and was thereby authorized to continue to provide cable television service to them pursuant to N.J.S.A. 48:5A-25, pending disposition of the proceedings regarding the renewal of its Certificates.

Because Cablevision of Oakland 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 Cablevision of Oakland's Certificates of Approval for the City of Clifton, the Borough of Ho-Ho-Kus, the City of Passaic, the Borough of Wood-Ridge and the Township of Wyckoff have expired by operation of law.

Cablevision of Oakland's Certificate of Approval and the underlying municipal consent ordinance in the Township of Little Falls were set to expire on August 30, 2011; in the Borough of Lodi on August 18, 2015; in the Borough of Maywood on September 16, 2020; in the Borough of North Caldwell on June 8, 2015; and in the Borough of North Haledon on July 21, 2021. Because Cablevision of Oakland 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 Cablevision of Oakland's Certificates of Approval for the Township of Little Falls, the Borough of Lodi, the Borough of Maywood, the Borough of North Caldwell and the Borough of North Haledon are hereby terminated.

Cablevision of Oakland 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. Cablevision of Oakland maintains a full residential build in each of the listed municipalities. Therefore, because Cablevision was the incumbent, it is required to continue to provide, at a minimum, pursuant to its existing installation policies, service to any residence in the municipalities at no cost beyond the installation rates contained in its schedule of prices, rates, terms and conditions filed with the Board, pursuant to N.J.A.C. 14:17-6.16 and 6.17, as applicable. In the Borough of Maywood, Cablevision of Oakland also committed to providing service to commercial establishments at no charge beyond standard and non-standard installation rates. In all of the municipalities, except for the Borough of Maywood, Cablevision shall provide service to any business in accordance with the line extension policy attached to the original order.

Based upon the elements of the System-wide Franchise, and the legal mandates under which the Board operates, this Order <u>HEREBY RATIFIES</u> the addition of the municipalities to Cablevision of Oakland's System-wide Franchise.

This Fifth Order of Amendment to the System-wide Franchise serves to add the City of Clifton, the Borough of Ho-Ho-Kus, the Township of Little Falls, the Borough of Lodi, the Borough of Maywood, the Borough of North Caldwell, the Borough of North Haledon, the City of Passaic, the Borough of Wood-Ridge and the Township of Wyckoff to Cablevision of Oakland's System-

wide Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that July 1, 2009 Order, except with respect to the LEP provisions.

Without limitations to the full requirements set forth in that Order, the Board reminds Cablevision of Oakland 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 Oakland shall adhere to the operating 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 47 <u>C.F.R.</u> § 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, or orders of the Board or the Office of Cable Television, or the terms, conditions, or limitations set forth herein, may subject Cablevision of Oakland to penalties, as enumerated in N.J.S.A. 48:5A-51, or may constitute sufficient grounds for the suspension or revocation of the System-wide Franchise.

This Fifth Order of Amendment to the System-wide Franchise is issued on the representation that the statements contained in Cablevision of Oakland'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: 1/19/11

BOARD OF PUBLIC UTILITIES BY:

LEE A. SOLOMON

PRESIDENT

JEANNE M. FOX COMMISSIONER OSEPH L. FIORDALISO

COMMISSIONER

NICHOLAS ASSELTA COMMISSIONER

ATTEST:

KRISTI IZZŐ ' 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 OAKLAND, LLC
FOR THE CONVERSION TO A SYSTEM-WIDE FRANCHISE IN TEN MUNICIPALITIES: THE
BOROUGH OF FRANKLIN LAKES, THE BOROUGH OF HALEDON, THE BOROUGH OF
HAWTHORNE, THE BOROUGH OF PARK RIDGE, THE BOROUGH OF PROSPECT PARK, THE
TOWNSHIP OF SADDLE BROOK AND THE BOROUGH OF UPPER SADDLE RIVER

FIFTH ORDER OF AMENDMENT - DOCKET NO. CE09030231

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