



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

**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 THE PETITION OF CSC TKR, )  
LLC D/B/A CABLEVISION OF MORRIS FOR ) RENEWAL CERTIFICATE OF  
RENEWAL OF A CERTIFICATE OF APPROVAL TO ) APPROVAL  
CONTINUE TO OPERATE AND MAINTAIN A CABLE )  
TELEVISION SYSTEM IN THE TOWNSHIP OF )  
BOONTON, COUNTY OF MORRIS, STATE OF NEW )  
JERSEY ) DOCKET NO. CE11010028

James Eric Andrews, Esq., Schenck, Price, Smith & King, Florham Park, New Jersey, for the  
Petitioner

Township Clerk, Township of Boonton, New Jersey, by Barbara Shepard, for the Township

BY THE BOARD:

On December 7, 1984, the Board granted Sammons Communications of New Jersey, Inc. ("Sammons") a Certificate of Approval in Docket No. 843C-7057 for the construction, operation and maintenance of a cable television system in the Township of Boonton ("Township"). Through a series of transfers with required Board approvals, TKR Cable Company ("TKR") became the holder of the Certificate. On June 4, 1996, the Board granted Sammons a Renewal Certificate of Approval for the Township in Docket No. CE94030069, but noted that TKR had been transferred control of the Certificate. Through an additional series of transfers with required Board approvals, the Certificate is currently held by CSC TKR, LLC d/b/a Cablevision of Morris ("Petitioner"). Although by its terms the Petitioner's above referenced Certificate expired on December 7, 2009, the Petitioner is authorized to continue to provide cable television service to the Township 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 Township on March 20, 2009, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 et seq. On June 14, 2010, the Township adopted a municipal ordinance granting renewal consent to the Petitioner. On October 13, 2010, the Petitioner formally accepted the terms and conditions of the ordinance. On January 25, 2011, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township.

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 Renewal Certificate of Approval. Further, the Township reviewed these qualifications 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 reasonable.
5. 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 an informational schedule of prices, terms and conditions for unregulated service and promptly file any revisions thereto.
6. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
7. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 683 Route 10 East, Randolph, New Jersey.
8. The franchise fee to be paid to the Township 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 Township and shall be increased as required by N.J.S.A. 48:5A-30. 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.
9. The Petitioner shall provide service to any residence along any public right-of-way in the Township within its primary service area at no cost beyond standard and non-standard installation charges as specified in their schedule of all prices, rates, terms and conditions. For any extension outside the primary service area, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate as Appendix "I". The minimum homes per mile figure is 25.

10. The Petitioner shall provide public, educational and governmental access channels and facilities in accordance with its renewal application and the ordinance. As specified in the application, the Petitioner maintains a system-wide non-commercial community/governmental access channel, which is shared with its community message board. Additionally, the County College of Morris is currently in charge of a system-wide educational access channel and coordinates educational access programming for itself and for the Petitioner's franchised municipalities. The Petitioner maintains a public access studio in Randolph Township, which has video and audio recording/playback equipment for public access use. The Petitioner offers interested community members workshops in the aspects of operating a studio.
11. The Petitioner shall provide the Township with a technology grant for cable and/or telecommunications related purposes in the total amount of \$15,000.00, which is to be paid as follows: \$1,000.00 within 90 days of issuance of this Certificate and, within 90 days of receipt of the Township's annual written request, \$1,000.00 per year for the following 14 years. The Petitioner shall be relieved of any remaining payments if it converts its municipal consent to a system-wide franchise as provided by N.J.S.A. 48:5A-25.1(a). Upon payment of each portion of the contribution, the Petitioner shall provide the Office of Cable Television with proof of satisfaction of this obligation.
12. Upon written request of the Township, the Petitioner shall provide one standard installation and monthly cable television reception service, free of charge, to all state or locally accredited public schools, all municipal public libraries as well as municipal buildings located in the Township, including the fire house and satellite fire house.
13. The Petitioner shall continue to provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to one designated municipal location within the Township.
14. Upon written request of the Township, the Petitioner shall provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to each state or locally accredited elementary and secondary school and municipal public library in the Township.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), that 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., except as modified above; that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or 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 within the entirety of the Township.

This Renewal 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 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 of 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 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.

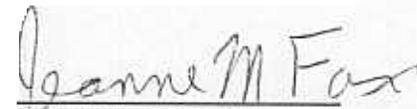
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

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

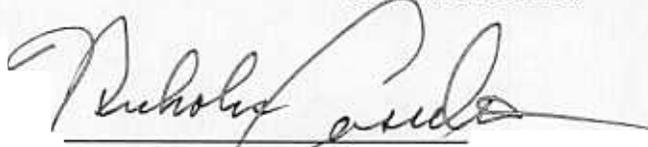
DATED: 4/27/11

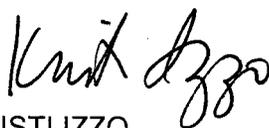
BOARD OF PUBLIC UTILITIES  
BY:

  
LEE A. SOLOMON  
PRESIDENT

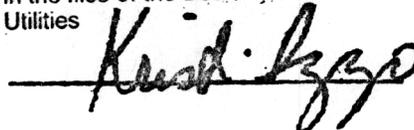
  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
NICHOLAS ASSELT<sup>A</sup>  
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



**CSC TKR, LLC D/B/A CABLEVISION OF MORRIS  
RENEWAL CERTIFICATE OF APPROVAL  
TOWNSHIP OF BOONTON  
DOCKET NO. CE11010028**

**SERVICE LIST**

James Eric Andrews, Esq.  
Schenck, Price, Smith & King  
PO Box 991  
Florham Park, NJ 07932-0991

Barbara Shepard  
Township Clerk  
Township of Boonton  
155 Powerville Road  
Boonton Township, NJ 07005-8729

Adam Falk, Vice President  
Government and Public Affairs  
Cablevision Systems Corporation  
1111 Stewart Avenue  
Bethpage, NY 11714-3581

Alex Moreau  
Deputy Attorney General  
Division of Law  
124 Halsey Street  
PO Box 45029  
Newark, NJ 07101

Celeste M. Fasone, Director  
Office of Cable Television  
Board of Public Utilities  
Two Gateway Center, Suite 801  
Newark, NJ 07102

Karen A. Marlowe  
Administrative Analyst I  
Office of Cable Television  
Board of Public Utilities  
Two Gateway Center, Suite 801  
Newark, NJ 07102

**APPENDIX "I"**  
**OFFICE OF CABLE TELEVISION**  
**LINE EXTENSION POLICY**

**CSC TKR, LLC D/B/A CABLEVISION OF MORRIS**  
**TOWNSHIP OF BOONTON**

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><br>mileage of extension   | = | homes per mile (HPM) of<br>extension  |
| 2. | <u>HPM of extension</u><br>Minimum HPM that<br>company actually<br>constructs in the<br>system * | = | ratio of the density of<br>the extension to the<br>minimum density which the<br>company constructs in the<br>system ("A") |
| 3. | Total cost of building<br>the extension times "A"  | = | company's share of<br>extension cost  |
| 4. | Total cost of building<br>extension less company's<br>share of extension cost                    | = | total amount to be<br>recovered from<br>subscribers   |
| 5. | <u>Total amount to be<br/>recovered from subs</u><br>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.

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 \* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that 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.