



Agenda Date: 2/10/12
Agenda Item: 3C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF HOMETOWN ONLINE, INC. TO
DISCONTINUE PROVISION OF CABLE TELEVISION)
SERVICE UPON EXPIRATION OF CERTIFICATES)
OF APPROVAL IN THE TOWNSHIPS OF VERNON)
AND WEST MILFORD)

ORDER

DOCKET NO. CD11080512

William K. Mosca, Jr., Esq., Bevan, Mosca, Guiditta & Zarillo, on behalf of Hometown Online, Inc.
Sue Nelson, Township Clerk, Township of Vernon, for the Township
Antonia Battaglia, Township Clerk, Township of West Milford, for the Township
Stefanie A. Brand, Esq., Director, Division of Rate Counsel

BY THE BOARD:

On March 6, 2002, the Board of Public Utilities ("Board") granted Hometown Online, Inc. ("Petitioner") a Certificate of Approval for portions of the Township of Vernon in Docket No. CE01110787, which Certificate is due to expire on March 6, 2012. On June 10, 2002, the Board granted the Petitioner a Certificate of Approval for portions of the Township of West Milford in Docket No. CE02030211, which Certificate is due to expire on June 10, 2012. The Petitioner is a wholly owned subsidiary of Warwick Valley Telephone Company ("WVT").

On August 30, 2011, the Petitioner filed a petition with the Board requesting permission to discontinue provision of cable television service in the Township of Vernon on March 6, 2012 and in the Township of West Milford on June 10, 2012. The petition followed notice by the Petitioner on April 12, 2011 to the Township of Vernon and the Township of West Milford ("Townships") and to the Board that it did not intend to seek renewal municipal consent and would cease to provide cable television service upon expiration of the Certificates of Approval issued by the Board. A petition was filed to demonstrate that the public interest would be protected following the termination of the cable television franchises, pursuant to N.J.S.A. 48:5A-37. Section 37 provides:

No CATV company shall abandon all or any part of its system or other property necessary or useful in the performance of its duties to the public, or discontinue or temporarily suspend all or any part of the service which it is rendering to the public by the use of same, without first obtaining the approval of the board. In granting such approval, the board may impose such terms, conditions or requirements as in its judgment are necessary to protect the public interest.

In support of its petition, the Petitioner noted that it had fewer than 350 subscribers in Vernon Township and fewer than 20 in West Milford Township. The Petitioner noted it is impossible for it to compete effectively in the cable television market at that scale. Furthermore, the Petitioner is no longer able to provide its subscribers a broad array of cable television channels at a competitive price. The Petitioner notes that it is also a reseller of DirecTV services, which can offer more channels at a lower price.

In addition to notice to the Townships, the Petitioner provided written notice to each subscriber on April 21, 2011 and in September 2011, November 2011 and January 2012. Notification calls were also made to remaining subscribers. Furthermore, the Petitioner notes that it would send one additional letter and place one additional call to its subscribers in Vernon Township as well as provide four additional letters and one additional call to subscribers in West Milford Township to ensure that everyone has transitioned to another video provider, if they so desire.

It is noted that Service Electric Cable TV of New Jersey, Inc. ("SECTV") holds a Certificate of Approval for the entirety of Township of Vernon issued by the Board on July 24, 2002, in Docket No. CE96060486. It is also noted that Cablevision of Warwick, LLC ("Cablevision") holds a Certificate of Approval for the entirety of the Township of West Milford issued by the Board on October 13, 2011, in Docket No. CE11050302.

The Township of West Milford wrote to the Office of Cable Television on May 3, 2011 expressing its concern that the Petitioner would cease providing cable television service to its residents. The letter stated that there were no cable television service alternatives for residents of the Township of West Milford. As noted above, Cablevision is authorized to provide cable television service to the entirety of the Township of West Milford and a map of its facilities indicates that it can provide cable television service to the service area of the Petitioner. Staff requested that the Petitioner contact the Township to discuss the matter. The Township of West Milford has confirmed that it has no outstanding issues with the Petitioner's discontinuance of service.

The Board has found that the discontinuance of service by the Petitioner is reasonable, will have minimal impact on the Petitioner's customers in the Townships and will not adversely affect the public interest. Therefore, the Board HEREBY FINDS that the Petitioner's termination of its cable television franchises in the Townships is reasonable. The Petitioner's parent company, WVT, is authorized to continue to provide telephone service under Docket No. TE03040323 for the Township of Vernon and under Docket No. TE03040324 for the Township of West Milford, both approved by the Board on August 19, 2004.

As noted above, the Petitioner's Certificate of Approval and the underlying municipal consent ordinance from the Township of Vernon will expire on March 6, 2012. The Petitioner's Certificate of Approval and the underlying municipal consent ordinance from the Township of West Milford will expire on June 10, 2012. Accordingly, the Board APPROVES the discontinuance of service to the Townships as of these specific dates.

Notwithstanding the termination of the above-referenced franchises, the Petitioner remains liable for all franchise fees, CATV Universal Fund Fees and the State Assessment fee accrued through its last day of business in each Township, to be reflected in its Form F99 and CATV-1 and CATV-2 filings required to be submitted pursuant to the Board's rules.

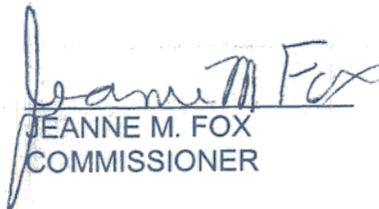
Petitioner is also liable for all outstanding amounts pursuant to the Offer of Settlement in Docket No. CO10050356, dated June 8, 2010, and all amounts and refunds agreed to in the Offer of Settlement in Docket No. CO12010085, approved by the Board at its February 10, 2012 Agenda meeting. Petitioner is also liable for any additional amounts or refunds owed due to its conduct or violations which are not covered by these Offers of Settlement.

DATED: 2/10/12

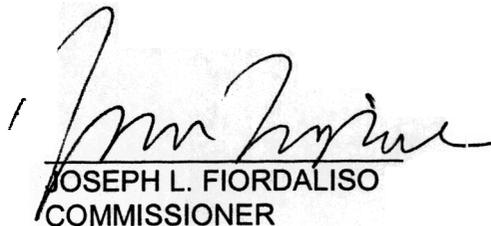
BOARD OF PUBLIC UTILITIES
BY:



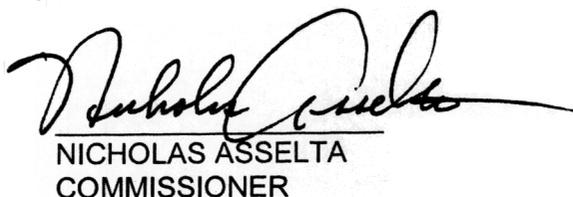
ROBERT M. HANNA
PRESIDENT



JEANNE M. FOX
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER



NICHOLAS ASSELTA
COMMISSIONER



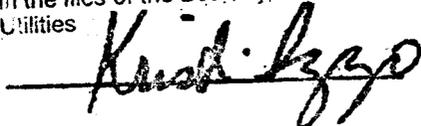
MARY-ANNA HOLDEN
COMMISSIONER

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



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