Agenda Date: 4/11/12 Agenda Item: IIIC



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

CABLE TELEVISION IN THE MATTER OF THE PETITION OF COMCAST AUTOMATIC RENEWAL OF PLAINFIELD, LLC FOR A RENEWAL CERTIFICATE OF APPROVAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE CITY OF PLAINFIELD, COUNTY OF UNION, STATE OF NEW JERSEY DOCKET NO. CE09070571 IN THE MATTER OF THE PETITION OF COMCAST ORDER OF AMENDMENT OF A) OF PLAINFIELD, LLC FOR MODIFICATION OF THE RENEWAL CERTIFICATE OF) TERMS AND CONDITIONS OF A MUNICIPAL APPROVAL) CONSENT UPON WHICH A CERTIFICATE OF) APPROVAL IS BASED DOCKET NO. CE09110946) DOCKET NO. CE04080880

Parties of Record:

Dennis C. Linken, Esq., Scarinci & Hollenbeck, for the Petitioner Abubakar Jalloh, City Clerk, City of Plainfield, New Jersey, for the City

BY THE BOARD:

On August 3, 1979, the Board granted Plainfield Cablevision, Inc., a wholly owned subsidiary of Storer Cable Communications, Inc. a Certificate of Approval in Docket No. 795C-6470, for the construction, operation and maintenance of a cable television system in the City of Plainfield ("City"). Due to an internal corporate reorganization approved by the Board, the holder of the Certificate became Storer Cable Communications of the Plainfields, Inc. d/b/a Storer Cable Communications ("Storer Plainfield"). On April 13, 1989, the Board granted Storer Plainfield a Renewal Certificate of Approval for the City in Docket No. CE88121314. Due to a series of transfers with required Board approval, the current holder of the Certificate was Comcast Cablevision of the Plainfields, Inc. ("Comcast Plainfields"). On April 12, 2001, the Board granted Comcast Plainfields a Renewal Certificate of Approval for the City in Docket No. CE01010030.

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Based on a name change, the current holder of the Certificate is Comcast of Plainfield, LLC ("Petitioner"). On September 23, 2004, the Board approved an Order of Amendment of a Renewal Certificate of Approval for the Petitioner, based on <u>N.J.A.C.</u> 14:17-6.7, in Docket No. CE04080880. Although by its terms the Petitioner's above referenced Certificate expired on August 3, 2009, the Petitioner is authorized to continue to provide cable television service to the City pursuant to <u>N.J.S.A.</u> 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

On July 29, 2009, the Petitioner filed with the Board for Automatic Renewal of its Certificate of Approval for the City, pursuant to <u>N.J.S.A.</u> 48:5A-16, -19 and -25 and <u>N.J.A.C.</u> 14:17-6.9 and 14:18-13.6. The filing indicates that the City had adopted an ordinance on August 22, 2000, for a term of ten years with an automatic renewal for a term of an additional five years.

Upon receipt of the petition referenced above, it was noted that the Petitioner had not completed construction for service to the Park-Madison Tract as required by the Order of Amendment issued on September 23, 2004 in Docket No. CE04080880. In addition, the Petitioner had canceled the \$150,000.00 additional performance bond required until the completion of construction without prior authorization of the Office of Cable Television, as required by the Renewal Certificate of Approval in Docket No. CE01010030. Board staff contacted the Petitioner regarding these issues. On November 20, 2009, in Docket No. CE09110946, the Petitioner filed a petition, *as within time*, to modify the terms and conditions of a municipal consent upon which a Certificate of Approval is based, pursuant to N.J.A.C. 14:17-6.7, requesting that the cancellation of the additional performance bond be approved *as within time*, since the City had passed a resolution releasing the performance bond on December 5, 2007. On February 23, 2012, the Petitioner amended its petition to acknowledge the resolution passed by the City and the Addendum to the Agreement reached by the Petitioner and the City. Since the City relieved the Petitioner from the \$150,000.00 performance bond, the Board HEREBY APPROVES the cancellation thereof.¹

However, the issue of construction to the Park-Madison Tract remained. The Petitioner contacted the City to determine if the City still required the tract to be built. The City entered into consultation with the County of Union, who owns the Park-Madison Tract. The County, on February 3, 2011, sent a letter to the City, stating that the Petitioner was denied access to the building and that the County and the State of New Jersey, who retains offices there, had no need for the Petitioner's services. On June 20, 2011, the City passed a resolution relieving the Petitioner from its requirement to build out the Park-Madison Tract. On July 13, 2011, the City and the Petitioner entered into an addendum to the agreement of October 27, 2003, as formalized in the September 23, 2004 Order of Amendment. On February 23, 2012, the Petitioner amended its petition to acknowledge the resolution passed by the City and the Addendum to the Agreement reached by the Petitioner and the City.

¹ While the Board is approving the Addendum to the Agreement, it is not being granted *as within time*. The Board reserves the right to review any potential violations related thereto at a later time.

The Board has reviewed the petition for an Automatic Renewal Certificate of Approval and the Application filed therein by the Petitioner. Based upon this review and the recommendation of the Office of Cable Television, the Board <u>HEREBY</u> FINDS the following:

- 1 The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval.
- 2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory, with the exception of the Park-Madison Tract referenced above, is complete. The Petitioner is relieved of its obligation to provide service to the Park-Madison Tract.
- 4. The franchise period as stated in the ordinance is five years. The Board finds this duration 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 and file with the Board 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 City. 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 for the purpose of receiving, investigating and resolving complaints. Currently, the local office serving this provision is located at 73 Rock Avenue, Plainfield, New Jersey.
- 8. The franchise fee to be paid to the City 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 City, and shall be increased as required by <u>N.J.S.A.</u> 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 or business along any public right-of-way in all areas of the franchise territory at no cost beyond standard and non-standard installation charges. For all other circumstances, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate. The minimum homes per mile figure is 35.

- 10. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its application filed with the petition for Automatic Renewal Certificate of Approval, the previous Renewal Certificate of Approval and the City's ordinance. Specifically, the Petitioner shall continue to provide the City with a dedicated PEG access channel for use by the City and its designees for the purpose of televising non-commercial PEG programming. The channel shall be maintained by the Petitioner and operated by the City. The Petitioner shall also continue to provide two dedicated fiber optic return lines at locations as designated by the City.
- 11 The Petitioner maintains an access studio in Union Township that may be used by City residents for the creation of access programming. The Petitioner shall make its mobile vehicle available to the City for the purpose of producing noncommercial educational, governmental or community programming. The Petitioner shall provide training to users of the vehicle and shall offer seminars in basic television production for personnel who will assist in production originated by the City, School District and their designees. The Petitioner shall designate an employee to be responsible for providing assistance, receiving comments and responding in person in the City to complaints regarding the quality of access programming.
- 12. The Petitioner shall provide or continue to provide the standard installation and total preferred cable television service to each public and private school in the City. To qualify for free installation, the facility must be within 200 feet of the Petitioner's active cable television plant. Each additional outlet installed, if any, shall be paid for by the school requesting additional service. Monthly service charges shall be waived on all additional outlets.
- 13. The Petitioner shall provide or continue to provide one standard installation and total preferred television service, free of charge, to each police, fire, first aid, public library, community center and emergency management facility in the City. To qualify for free installation, the facility must be within 200 feet of the Petitioner's active cable television plant. Each additional outlet installed, if any, shall be paid for by the City. Monthly service charges shall be waived on all additional outlets.
- 14. The Petitioner shall provide or continue to provide standard installation and one non-networked outlet of Internet service via high speed cable modem, free of charge, to each public and private school located within the City. The Petitioner shall provide or continue to provide free basic Internet access via high speed cable modem, to ten non-networked personal computers in the City's library.

15. Upon reasonable written request of the City, the Petitioner shall meet at least once annually at a public hearing of the City Council or before the City Cable Television Advisory Committee to discuss matters pertaining to the provision of cable television service to residents of the City and other related issues as the City and Petitioner may see fit.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 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 <u>N.J.S.A.</u> 48:5A-1 <u>et</u> <u>seq.</u>, 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; that the Petitioner meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment; and that the Petitioner is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY</u> <u>ISSUED</u> this Automatic Renewal Certificate of Approval as evidence of Petitioner's continued authority to construct and operate a cable television system within the entirety of the City.

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 <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 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 <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>

This Certificate shall expire on August 3, 2014.

This order shall be effective on April 23, 2012.

DATED: 4/11/12

BOARD OF PUBLIC UTILITIES BY:

Robert M

ROBERT M. HANNA

M. Fo JEANNE M. FOX

COMMISSIONER

NICHOLAS ASSELTA 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

DSEPH L. FIORDALISO COMMISSIONER

Mary-Anna Holden

MARY-ANNA HOLDEN COMMISSIONER

APPENDIX "I" OFFICE OF CABLE TELEVISION LINE EXTENSION POLICY

COMCAST OF PLAINFIELD, LLC CITY OF PLAINFIELD

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

^{*} 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.

SERVICE LIST

COMCAST OF PLAINFIELD, LLC CITY OF PLAINFIELD

AUTOMATIC RENEWAL CERTIFICATE OF APPROVAL DOCKET NO. CE09070571

ORDER OF AMENDMENT TO THE TERMS OF THE MUNICIPAL CONSENT UPON WHICH A RENEWAL CERTIFICATE OF APPROVAL IS BASED DOCKET NO. CE09110946 DOCKET NO. CE04080880

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