



STATE OF NEW JERSEY
Board of Public Utilities
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Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF THE APPLICATION OF VERIZON) SYSTEM-WIDE CABLE
NEW JERSEY, INC. FOR RENEWAL OF A SYSTEM-) TELEVISION FRANCHISE
WIDE CABLE TELEVISION FRANCHISE) RENEWAL
)
) **DOCKET NO. CE13080756**

Parties of Record:

William D. Smith, Esq., Assistant General Counsel, Verizon New Jersey, Inc.
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD¹:

On December 18, 2006, the Board of Public Utilities ("Board") issued an Order approving a System-wide Franchise for 316 municipalities to Verizon New Jersey, Inc. ("Verizon" or "Petitioner") in Docket No. CE06110768 for a term of seven years to expire on December 18, 2013. This system wide franchise was reviewed and approved pursuant to N.J.S.A. 48:5A-17(a). Pursuant to N.J.A.C. 14:18-14.14, which requires Verizon to provide notice to the Board and the affected municipalities of its intention to add municipalities to its existing System-wide Cable Television Franchise, Verizon added an additional 64 municipalities and is currently authorized to provide service to 379 municipalities in the State². The addition of these municipalities were memorialized in Orders of Amendment issued by the Board on August 1, 2007, for thirty-two municipalities; on April 9, 2008, for ten municipalities; on October 23, 2008, for one municipality; on April 27, 2009, for nine additional municipalities; on July 29, 2009, for one municipality; on April 11, 2012, for one municipality; on November 20, 2012, for one municipality; on April 29, 2013, for one municipality; and July 19, 2013, for seven municipalities. During the pendency of this petition, Verizon filed for an additional municipality: Stow Creek Township in Cumberland County and this order will serve to memorialize the addition of Stow Creek Township into Verizon's System-wide Cable Television Franchise. A list of the

¹ Commissioner Mary-Anna Holden abstained on this matter.

² In January of 2013, Princeton Borough and Princeton Township merged. Therefore, the initial number of 316 municipalities and the added 64 municipalities results in 379 municipalities where Verizon is authorized to provide service.

municipalities included in Verizon's System-wide Cable Television Franchise is attached as Exhibit "I".

BACKGROUND

On May 4, 2011, the Board notified Verizon of its intention to review its performance under its system-wide franchise pursuant to 47 U.S.C. § 546, N.J.S.A. 48:5A-19(b) and N.J.A.C. 14:18-14.16. On February 1, 2012, the Board invited Verizon to file comments on its performance under its System-wide Cable Television Franchise and to assess how it will meet the future needs of the communities listed in its franchise application. Verizon filed its Initial Comments with the Board on April 16, 2012. Pursuant to N.J.A.C. 14:18-14.17, on May 30, 2013, the Board issued a report ("Ascertainment Report") on Verizon's performance under its System-wide Cable Television Franchise and the future system-wide cable television franchise needs of the State and the municipalities under the system-wide franchise.

On August 20, 2013, Verizon filed for renewal of its System-wide Cable Television Franchise, pursuant to N.J.S.A. 48:5A-19 and N.J.A.C. 14:18-14.18. Pursuant to N.J.A.C. 14:18-14.3, the Board was required to hold two public hearings in this matter. A hearing was held in Newark on October 1, 2013 and a hearing was held in Trenton on October 3, 2013. Additionally, written comments were accepted between October 1, 2013 and October 30, 2013.

Following its review of Verizon's application and the comments received, Board Staff issued discovery requests to Verizon on November 21, 2013, seeking additional follow-up information. Verizon provided response to the Board's requests on December 12, 2013.

PUBLIC COMMENTS

At both hearings, the public was invited to provide oral and/or written comment on the application, and both hearings were transcribed by a court reporter, with the transcripts included in the record of this matter. Some commenters supported the renewal and others opposed or requested additional conditions be placed on Verizon in return for renewal of its System-wide Cable Television Franchise. At the Newark Hearing, the following parties offered comments in favor of the renewal: the Association of Independent Colleges and Universities in New Jersey; Morris County Chamber of Commerce; Hudson County Economic Development Corporation; Newark Regional Business Partnership; Meadowlands Regional Chamber; the Statewide Organization (UCDEC); Adrian Council, publisher, Positive Community; and Greater Paterson Chamber of Commerce. In Trenton, support for the renewal was offered by: Alan Goeltz; Joan McGinnis Knorr; Southern New Jersey Development Council; Loretta Kuhnert; and Wanda Garcia. Overall, these entities asked for an expedited review and approval of the Verizon's System-wide Cable Television Franchise application. All cited the positive impacts realized by Verizon's competition in the cable television market, including decreases in costs, increases in fees paid and other benefits to municipalities, as well as other advantages for the State and its residents. Mayor Anthony Suarez, Borough of Ridgefield, submitted written comments in support of the renewal

The following commenters were in opposition to the renewal or in favor of conditional approval: in Newark, Bruce Kushnick; and in Trenton, IBEW Local 827; Thomas Allibone; and Gordon Cook, Cook Report. Written comments were received from AARP; Communications Workers of America District One (CWA); IBEW Local 827; Issues Management, LLC on behalf of New Jersey State Electrical Workers Association; Assemblyman Daniel R. Benson; Franklin Township (Somerset County); West Amwell Township, by resolution; Chatham Borough; and various residents of municipalities where Verizon does not provide service or provides service to limited portions of their

respective municipalities. Those entities expressed opposition, either in part or in whole, to the renewal of Verizon's System-wide Cable Television Franchise application, and presented a more diverse set of concerns.

Assemblyman Benson, IBEW Local 827, AARP, CWA, Issues Management, Franklin Township, West Amwell Township, Gordon Cook, Thomas Allibone and Bruce Kushnick all noted that Verizon should not be granted a renewal without significant conditions because: 1) Verizon had already committed to providing fiber optic networking throughout the State under the "Opportunity New Jersey" ("ONJ") program; and 2) Verizon is deserting its obligation to provide plain old telephone service ("POTS") in portions of the state, specifically, Bay Head Borough and Mantoloking Township, where its copper infrastructure was damaged by Superstorm Sandy in October of 2012 by providing service via its wireless communications service product known as "VoiceLink". Assemblyman Benson additionally expressed concern regarding Verizon's reasoning for continuing with this project in New Jersey while abandoning it in Fire Island, New York due to the existence of a traditional cable television provider, Comcast, in the area. Assemblyman Benson noted that, "If one of the public benefits of the State Act was to provide competitive cable television offerings in New Jersey, the reasoning not to provide wireline service in Mantoloking stands the State Act's goals on its head." IBEW Local 827 and CWA further argued that Verizon does not have the personnel available to maintain its telecommunications service in good working order. The parties argued that cuts to personnel have delayed installations and repairs to both its POTS service and its FIOS cable television service.

The New Jersey Division of Rate Counsel ("Rate Counsel") cautioned the Board to examine the record and Verizon's application fully prior to issuance of the Renewal System-wide Cable Television Franchise.

A number of commenters wrote that the statute which enabled Verizon to receive its System-wide Cable Television Franchise was unfair in that it required Verizon to provide service to all residents in only 70 municipalities, rather than its entire service territory. These commenters include: Carl and Margaret Brignola; Beth Slatnick; Gary Gregory; Eugene Bernhardt; Julio Perez; Roland M. LaCorte; Cynthia LaCorte; Francis Mattas; W. Sommer; Frederick H. Ochs; Howell Walton; Patricia Sobotka; James McGuire; Martin Nalbandian; Edward H. Moore; Archie Black; Brenda Black; and Ruth Chamber.

DISCUSSION

In 2006, the Legislature passed amendments to the State Cable Act which allowed Verizon to apply for and receive a System-wide Cable Television Franchise from the Board (P.L. 2006, c. 83). The Legislature articulated certain restrictions and pre-conditions the Board could consider prior to approving any system-wide franchise applicant. The Board is bound by the enabling statute and the adopted rules for application and enforcement. As such, the Board cannot address those issues raised by parties who are unhappy or dissatisfied with the underlying legislation, but will instead limit its review, as required, to the application for renewal of Verizon's System-wide Cable Television Franchise, as permitted by statute and the rules.

In determining whether to issue Verizon a renewal of its System-wide Cable Television Franchise, the Board may only consider that which is allowed by the State Cable Act, which provides, at N.J.S.A. 48:5A-16(f), that "[i]n determining whether a system-wide franchise should be issued, the board shall consider only the requirements of sections 17 and 28 of P.L. 1972, c.186 (C. 48:5A-17 and C. 48:5A-28)."

N.J.S.A. 48:5A-17 permits the Board to issue a system-wide franchise following its review of the application, where it finds the applicant has complied or is ready, willing and able to comply with all applicable rules and regulations imposed or pursuant to State or federal law as preconditions for providing cable service. N.J.S.A. 48:5A-28 sets forth the elements in the application for a system-wide franchise and the required commitments of a system-wide franchise applicant. The Board's review of the application makes it clear that Verizon's application satisfies the requirements set forth by the Legislature, subject to certain conditions and compliance issues.

The Board notes that many commenters raised issues regarding Verizon's VoiceLink service and the ONJ plan during the review process, which were outside the scope of the current proceeding. Verizon has applied for a renewal of its System-wide Cable Television Franchise and pursuant to statute, only that matter is under consideration here. Similarly, as discussed above, many commenters also requested that Verizon be required to provide FiOS service to the entirety of all towns within its New Jersey service area. As noted above, pursuant to the State Cable Act, the Board is precluded from requiring Verizon to provide service beyond the 70 required municipalities. Specifically, N.J.S.A. 48:5A-25.2 requires Verizon to provide service to all residents in: 1) each county seat in Verizon's telecommunications service area; and 2) each municipality in Verizon's telecommunications service area that had a population density greater than 7,111 persons per square mile of land area based on the 2000 US Census. This equates to 70 municipalities. Beyond these 70 municipalities, Verizon can choose to deploy service at its discretion. It is noted that although it has no obligation outside the core municipalities, Verizon is currently providing service in parts of 355 municipalities.³

BUILD OUT REQUIREMENTS

Pursuant to N.J.S.A. 48:5A-25.2a(2), Verizon is required, subject to certain exceptions with respect to multiple dwelling units (MDUs), to make its FiOS cable service available throughout the residential areas of the 70 must build municipalities within six years of the date service was initially made available. Based on Verizon's initial dates of service offerings, the completion dates for the 70 must build municipalities ranged from December 2012 through December 2015. As required by the initial System Wide Franchise Order, Verizon currently provides the Board and Rate Counsel with quarterly service activation reports, which are used to determine Verizon's compliance with the deployment commitment timelines and ensure Verizon's provision of service on a non-discriminatory basis. The Board noted in its Ascertainment Report that Verizon had furnished information to the Board via its quarterly reports that it had achieved full availability of FiOS service in each of the 10 towns that were required for completion as of December 2012. Verizon was due to complete an additional 25 municipalities by year-end 2013, with the remaining half of the 70 required towns to be completed by year-end 2015. To date, Verizon has furnished information to the Board in its quarterly activation reports indicating that it has completed deployment in a timely fashion for all of the required towns which were due by the third quarter of 2013. Verizon's report on its 4th quarter 2013 activations, which is still pending, is expected to provide data to the Board evidencing satisfaction of the required build out for the remainder of the 25 municipalities that are due to be completed by year-end 2013.

In response to questions from Commissioner Fox at the public hearing regarding Verizon's ability to meet its build out requirements for the 35 towns within two years by the end of 2015, Verizon submitted a response where it indicated that "[i]n addition to the tremendous amount of

³ Although Verizon is authorized to serve 379 municipalities under their franchise, they are currently offering service in only 355 municipalities.

work that has already been completed, on schedule, with respect to 35 of the "must-build" municipalities, it is important to remember that Verizon has already deployed FiOS TV services to large parts of the 35 "must-build" towns that must be completed by the end of 2015."⁴

As noted above, Verizon is required to report to the Board each quarter on the service activations that have occurred in the prior quarter. Since Verizon's deployment commitments for the remaining half of the 70 required municipalities extend to 2015, it is imperative that Verizon continue to provide the Board with information on its deployment activity so that the Board may properly fulfill its statutory obligation of ensuring that Verizon is meeting its deployment commitments as required under the franchise. The Board **HEREBY CONDITIONS** Verizon's renewal franchise upon its compliance with the statutory deployment commitments pursuant to N.J.S.A. 48:5A-25.2 for the 70 required municipalities, and Verizon shall continue to provide the Board with quarterly service activation reports of its progress through the verified completion of the 70 must build municipalities. Any failure by Verizon to comply with the completion of the deployment deadlines for the 70 must build towns shall be considered a violation of the franchise, which may be enforced by the Board pursuant to N.J.S.A. 48:5A-28.2.

MDU WAIVERS / ACCESS PETITIONS

As noted above, although Verizon's deployment commitments to the 70 required towns requires service to MDUs, Verizon must seek a waiver from the Board pursuant to N.J.S.A. 48:5A-25.2 and the initial Franchise if it believes it cannot deploy service as required for one or more of the following reasons: "a) the Petitioner cannot access a development or building because of a claimed exclusive arrangement with another cable television company; b) the Petitioner cannot access a development or building using its standard technical solutions, under commercially reasonable terms and conditions after good faith negotiation; or c) the Petitioner, cannot access the public rights-of-way under reasonable terms and conditions."

Pursuant to N.J.S.A. 48:5A-25.2, Verizon has submitted numerous waiver filings to the Board which have included properties located within the 70 required municipalities. Information provided in the waiver filings, along with Verizon's quarterly service activation reports are used to assist the Board in determining Verizon's compliance with its deployment commitments and to ensure Verizon's deployment of its services in a non-discriminatory manner. During its review, Staff determined discrepancies in two of Verizon's waiver filings involving two of the 70 required municipalities, where Verizon had previously indicated that deployment had been completed. In September and October of 2013, Verizon sought to amend two of its pending waiver filings with the Board submitted in 2012, to seek waivers of MDU properties that were located in Hackensack and Bloomfield, respectively.⁵ In its review of these filings, Staff noted that the deadline for completion of deployment in both towns was January 2013. Staff therefore requested that Verizon provide an explanation and why they should not be considered a violation of the franchise obligations.

In its response Verizon indicated that the delayed filings were generally due to administrative oversights, and that they should not be considered a franchise violation because neither the statute nor the rules require that waiver petitions be filed prior to the deployment completion

⁴ Verizon NJ, Inc.'s response to Questions from Commissioner Fox at the October 1, 2013 Public Comment Hearing and Response to Miscellaneous Issues Raised at both Public Comment Hearings, October 25, 2013 at p.1.

⁵ On or around September 12, 2013, Verizon filed an "amendment" to a waiver filing originally submitted to the Board on November 8, 2012 in Docket CO12111023, seeking to add 6 MDU properties in Hackensack. Subsequently, on October 29, 2013, Verizon filed an "amendment" to a waiver filing originally submitted on December 21, 2012 in Docket CO12121087, seeking to add 1 MDU property in Bloomfield.

deadline. As noted in the initial Franchise Order, the Board is bound under the statute to ensure that Verizon's provision of its FiOS service is conducted in a non-discriminatory manner, and that "redlining" does not occur. Although the Board accepted Verizon's plan for providing service in multiple dwelling units where Verizon's standard installation process cannot or will not work in its Initial Franchise Order, the Board conditioned Verizon's approval on the provision of notice where it couldn't provide service in a timely fashion. The Board noted in its Order approving Verizon's initial Franchise:

Nevertheless, in order to ensure this non-discriminatory access, and to allow the Board and [Rate Counsel] to satisfy their oversight requirements, the Board **HEREBY CONDITIONS** this approval on VNJ's continued commitment to ensure non-discriminatory service and upon VNJ providing the Board and [Rate Counsel] with notification of any and all situations where VNJ decides not to serve multiple dwelling units due to technical constraints within 30 days of VNJ making such determination.

I/M/O the Application of Verizon New Jersey, Inc. for a System-wide Cable Television Franchise, Docket No. CE06110768, December 22, 2006, at 12.

In this instance, the waiver petitions were provided outside of the time parameter, and beyond the deployment commitment deadline for the municipality. The Board's ability to ensure that Verizon is meeting its deployment commitments and that it remains consistent with the legislative intent prohibiting redlining is undisputedly tied to Verizon's provision of both accurate and timely reporting to the Board on its deployment commitments. Currently, Verizon's quarterly activation reports provided to the Board indicate that they are inclusive of the waiver petitions, but they do not include detailed information. In light of the fact that Verizon is required to complete its deployment in the 70 required towns within the next two years, the Board **HEREBY CONDITIONS** Verizon's renewal franchise upon Verizon's continued provision of the quarterly service activation reports, along with additional information with respect to the 70 required towns to include: the total addresses subject to waiver petitions and date filed; the total addresses subject to mandatory access petitions and date filed. The Board **FURTHER CONDITIONS** Verizon's renewal franchise upon completion of the deployment in the 70 required towns, including the filing of any waiver petitions within 30 days of Verizon making such determination, but all such waiver applications shall be filed prior to the required date of completion for deployment for the municipality in which the MDU is located.

PEG Access Channels/Return Lines

With regard to the issue of public, educational and governmental ("PEG") access channels, Verizon, pursuant to N.J.S.A. 48:5A-28(l), will continue to provide two PEG access channels to any municipality in its cable service territory that requests them. Verizon shall also continue to provide and maintain a return line to one location in each requesting municipality

The Borough of Chatham filed comments that Verizon had not fulfilled its requirements under its System-wide Cable Television Franchise because it had not interconnected its PEG access channel with the CSC TKR, LLC d/b/a Cablevision of Morris feed, thus requiring the Borough to send two separate feeds to enable all Borough cable television customers to view the Borough's PEG access channel. Verizon responded that it had met the obligation by providing a direct connection, via return line, from the Borough to a point of distribution in its system. Verizon noted that it had spoken to the PEG access channel's manager and confirmed that a distribution

amplifier was in place which allowed cable television customers of either company to view the PEG access feed in real time.

The Board notes that the statute provided for interconnection between all cable television operators in a municipality. Specifically, N.J.S.A. 48:5A-28(i) provides:

Any and all CATV companies operating in a municipality shall provide interconnection to all other CATV companies on reasonable terms and conditions, and the board shall adopt regulations for procedures by which disputes between such CATV companies shall be determined and expeditiously resolved.

The Board adopted rules for disputes. Specifically, N.J.A.C. 14:18-15.4 states:

- (d) Each cable television company serving a municipality must provide interconnection to its cable television system to any other cable television company serving the same municipality for the purposes of interconnecting public, educational and governmental access channels on reasonable terms and conditions.
1. A cable television company that has interconnected its public, educational and governmental access channel or channels with another cable television company may require the second cable television company to pay for half the cable television company's absorbed costs for the extension.
 2. If a cable television company is unable to interconnect with another cable television company because it believes the terms and conditions are not reasonable, it may petition the Board for assistance in resolution of the dispute. The Board shall utilize the procedures set forth in N.J.A.C. 14:17-8.

In 2007, Verizon filed for assistance from the Board to interconnect with cable television companies in the State in the municipalities where it was providing service. Verizon noted that it wanted to interconnect with the cable television companies rather than installing return lines to each municipality for a number of reasons, among them expense and ability to provide the PEG access channels sooner than when it passed the location with its cable television service. Verizon was able to negotiate full interconnection with Time Warner Cable and limited interconnection with Comcast Corporation, but was unable to come to terms with Cablevision Corporation. In October of 2008, the Board issued an order requiring Cablevision to interconnect its PEG access channels with Verizon. In December of 2008, Verizon withdrew its request to interconnect with Cablevision, noting that it would install individual return lines instead. The imposed terms were too onerous and costly. Since Verizon requested assistance, it was within its discretion to withdraw its request.

N.J.S.A. 48:5A-28(m) states, in relevant part:

With regard only to applications for a system-wide franchise, a commitment to provide a return feed from any one location in the municipality, without charge, to the CATV company's headend or other location of interconnection to the cable television system for public, educational or governmental use, which return feed, at a minimum, provides the ability for the municipality to cablecast live or taped access programming, in real time, as may be applicable, to the CATV company's customers in the municipality. No CATV company is responsible for providing a return access feed unless a municipality requests such a feed in writing. A CATV company that has interconnected with another CATV

company may require the second CATV company to pay for half of the CATV company's absorbed costs for extension.

The Borough's cable television customers are receiving the Borough's PEG access feed in real time. Therefore, the Board is satisfied that Verizon has met its obligation under its System-wide Cable Television Franchise to interconnect PEG access channels in the Borough of Chatham in this manner.

CONCLUSION

Based upon these findings, the Board **HEREBY CONCLUDES** that, pursuant to the System-wide Cable Television Franchise Act and the Cable Television Act, the Petitioner has complied or is ready to comply with all applicable rules and regulations imposed by or pursuant to State and 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 System-wide Cable Television Franchise, for a period of seven years, as evidence of Petitioner's authority to operate a cable television system within the jurisdiction set forth in its application, subject to the following conditions:

1. All of the commitments, statements and promises contained in the application for renewal of this System-wide Cable Television Franchise and any amendments thereto submitted in writing to the Board, except as modified herein, are hereby adopted and binding upon Verizon as terms and conditions of this Renewal System-wide Cable Television Franchise, and included as conditions as if fully set forth herein. The application and any other relevant writings submitted by Verizon shall be considered a part of this System-wide Cable Television Franchise and made part hereof by reference.
2. Verizon shall provide any and all maps of the network in each municipality at least two business days and not less than 48 hours prior to turning on its system in any municipality. Verizon is on notice that in the absence of staff receiving the maps in a timely manner, Verizon is forbidden from providing service in those municipalities. Rate Counsel shall be provided the maps at the same time as the Board, subject to any appropriate confidentiality agreements.
3. Verizon shall comply with N.J.S.A. 48:5A-28(h), and shall provide service to all residents passed by cable television service in accordance with the line extension policy ("LEP") included in its application with a homes per mile ("HPM") of no greater than 30. Where the existing cable television company maintains a policy whereby residents of a municipality shall be offered service without application of an LEP, Verizon shall provide service to all residents likewise. Where residents of a municipality are currently offered service by the existing cable television company in accordance with an LEP of less than 30, the Petitioner shall be required to offer service in accordance with the attached LEP with an HPM at least as favorable as the existing cable television company. Additionally, the terms and conditions associated with the LEP shall meet or exceed those provided by the incumbent cable television operator in each municipality, and limitations and restrictions imposed in the Verizon LEP beyond those that exist in the incumbent's LEP

shall be null and void, and instead shall be modified to match those provided by the incumbent's LEP.

4. Upon identification of a street, streets, or portions of streets within a municipality that will be subject to the attached LEP, Verizon shall provide notice with a list of the streets in question to the Board, Rate Counsel, and the affected municipality, during normal business hours and no less than 48 hours prior to activation. Upon request of a potential customer, Verizon shall also provide a copy of this information to the potential customer.
5. Verizon shall continue to comply with the statutory deployment commitments for the 70 required municipalities, pursuant to N.J.S.A. 48:5A-25.2(a)(1) and (2). Any failure by Verizon to comply with the completion of the deployment deadlines for the 70 required municipalities shall be considered a violation of the franchise, which may be enforced by the Board pursuant to N.J.S.A. 48:5A-28.2.
6. Verizon shall continue, on a quarterly basis, to provide to the Board and Rate Counsel a report of service activations for the prior quarter, which shall also include information on total addresses subject to pending MDU waiver and mandatory access petitions beginning with the 1st quarter 2014 report, to serve as one element of the foundation for the Board and Rate Counsel to use to fulfill their responsibilities for ensuring the service is provided on a non-discriminatory basis and to serve as one component of the basis for Petitioner's ongoing proof of compliance with the Franchise and the Act.
7. In the event Verizon believes it cannot deploy service as required under N.J.S.A. 48:5A-25.2 because: a) it cannot access a development or building because of a claimed exclusive arrangement with another cable television company; b) it cannot access a development or building using its standard technical solutions, under commercially reasonable terms and conditions after good faith negotiation; and/or c) it cannot access the public rights-of-way under reasonable terms and conditions, Verizon shall continue to provide the Board and Rate Counsel with notification by filing for relief of deployment requirements within 30 days of Verizon making such determination, pursuant to N.J.A.C. 14:18-15.3. Any petition by Verizon seeking relief of deployment requirements shall be filed prior to the required date of completion of deployment for the municipality in which the MDU is located.
8. Verizon may add additional municipalities to its System-wide Cable Television Franchise without seeking approval from the Board, in accordance with N.J.A.C. 14:18-14.14. Verizon must provide notice at least 48 hours prior to activation to the Board, Rate Counsel and the affected municipality via certified mail.
9. Verizon shall continue to maintain local service centers as set forth in its application and shall maintain local business offices and/or agents for assisting customers in making applications for service, resolving service inquiries, making bill payment and for the purpose of receiving, investigating and resolving complaints. Verizon shall maintain all required public records in a format suitable for viewing by the affected public at its offices. Verizon shall maintain its local offices in accordance with applicable law.
10. The designated complaint officer for all municipalities in Verizon's System-wide Cable Television Franchise is the Office of Cable Television.

11. Verizon shall pay a franchise fee to each municipality served in the amount of 3.5% of its gross revenues, as defined by N.J.S.A. 48:5A-3(x) and -30(d), paid by subscribers in the municipality.
12. Verizon shall pay to the State Treasurer, in accordance with its CATV Universal Access Fund now existing or as will exist in the future, an amount of up to 0.5% of its gross revenues, as defined by N.J.S.A. 48:5A-3(x) and -30(d), paid by subscribers in the municipality.
13. Verizon shall produce any and all books or records within 72 hours of a request by the Board or Board Staff.
14. Verizon shall maintain an informational schedule of prices, rates, terms and conditions for unregulated service and promptly file any revisions thereto. Rate and channel line-up changes shall be performed in accordance with applicable rules.
15. Upon written request of a municipality served by its System-wide Cable Television Franchise, Verizon shall provide or continue to provide and maintain return lines or other method of interconnection from any one location in the municipality, without charge, to a location of interconnection in its cable television system in order to allow live or taped cablecasting of PEG programming by the municipality. The return line or interconnection shall be provided in accordance with N.J.A.C. 14:18-15.4(c).
16. Upon written request of a municipality served by its System-wide Cable Television Franchise, Verizon shall provide and maintain up to two PEG access channels. If a municipality requests more than two PEG access channels, the municipality shall demonstrate the need for the additional PEG access channels in accordance with N.J.A.C. 14:18-15.4(a)1. The municipality shall assume all responsibility for the management, operations and programming of the PEG access channels in accordance with N.J.A.C. 14:18-15.4(a)4.
17. Verizon shall continue to provide equipment and training for municipalities covered by the system-wide franchise without charge, for use in the development of local programming content that can be shown on PEG access channels. Upon request of the Board or Board staff, Verizon shall provide status updates to the Board on its PEG Training and Equipment Program and its current program implementation coordinator, NJEDge.Net, Verizon shall update the PEG access equipment list in a timely fashion to ensure that individuals and municipalities have real access to the equipment in a non-discriminatory manner.
18. Upon written request of a municipality served by its System-wide Cable Television Franchise, Verizon shall install and maintain, without charge, one service outlet activated for basic cable television service and Internet service to each fire station, public school, police station, public library and any other such building used for municipal purposes, in accordance with N.J.A.C. 14:18-15.5.
19. Pursuant to applicable law, Verizon shall maintain sufficient bond for the faithful performance of all undertakings by the applicant as represented in the application; and shall have sufficient insurance including the Board, all municipalities served and the applicant as insureds, with respect to all liability for any death, personal injury, property

damage or other liability arising out of the applicant's construction and operation of its cable television system.

20. Pursuant to N.J.S.A. 48:5A-28(n), Verizon shall continue to comply with any applicable consumer protection requirements.

This Renewal System-wide Cable Television Franchise 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. Verizon shall adhere to the applicable 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 this Renewal System-wide Cable Television 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 constitute sufficient grounds for the suspension or revocation of this Renewal System-wide Cable Television Franchise.

This Renewal System-wide Cable Television Franchise 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 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.

Verizon's Renewal System-wide Cable Television Franchise shall expire on December 18, 2020.

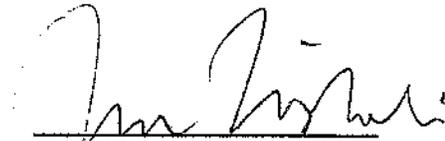
This Order shall be effective on February 7, 2014.

DATED: 1/30/14

BOARD OF PUBLIC UTILITIES
BY:

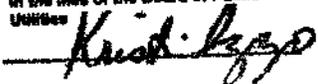

DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
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



**IN THE MATTER OF THE APPLICATION OF VERIZON NEW JERSEY, INC. FOR
RENEWAL OF A SYSTEM-WIDE CABLE TELEVISION FRANCHISE**

DOCKET NO. CE13080756

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**IN THE MATTER OF THE APPLICATION OF VERIZON NEW JERSEY, INC. FOR
RENEWAL OF A SYSTEM-WIDE CABLE TELEVISION FRANCHISE**

**SYSTEM-WIDE CABLE TELEVISION FRANCHISE RENEWAL
DOCKET NO. CE13080756**

**EXHIBIT "I"
MUNICIPALITIES WHERE VERIZON IS AUTHORIZED TO PROVIDE SERVICE**

	Municipality	County		Municipality	County
1	Aberdeen Borough	Monmouth	37	Brielle Borough	Monmouth
2	Allendale Borough	Bergen	38	Brooklawn Borough	Camden
3	Allenhurst Borough	Monmouth	39	Burlington City	Burlington
4	Allentown Borough	Monmouth	40	Burlington Township	Burlington
5	Alloway Township	Salem	41	Caldwell Borough	Essex
6	Alpine Borough	Bergen	42	Camden City	Camden
7	Asbury Park City	Monmouth	43	Carlstadt Borough	Bergen
8	Atlantic Highlands Borough	Monmouth	44	Cedar Grove Township	Essex
9	Audubon Borough	Camden	45	Chatham Borough	Morris
10	Audubon Park Borough	Camden	46	Chatham Township	Morris
11	Avon-by-the-Sea Borough	Monmouth	47	Cherry Hill Township	Camden
12	Barrington Borough	Camden	48	Chesilhurst Borough	Camden
13	Bay Head Borough	Ocean	49	Chester Township	Morris
14	Bayonne City	Hudson	50	Chesterfield Borough	Burlington
15	Bedminster Township	Somerset	51	Clark Township	Union
16	Belleville Township	Essex	52	Clayton Borough	Gloucester
17	Bellmawr Borough	Camden	53	Cliffside Park Borough	Bergen
18	Belmar Borough	Monmouth	54	Clifton City	Passaic
19	Bergenfield Borough	Bergen	55	Closter Borough	Bergen
20	Berkeley Heights Township	Union	56	Collingswood Borough	Camden
21	Berlin Borough	Camden	57	Colts Neck Township	Monmouth
22	Berlin Township	Camden	58	Cranbury Township	Middlesex
23	Bernards Township	Somerset	59	Cranford Township	Union
24	Bernardsville Borough	Somerset	60	Cresskill Borough	Bergen
25	Bloomfield Township	Essex	61	Deal Borough	Monmouth
26	Bloomington Borough	Passaic	62	Deerfield Township	Cumberland
27	Bogota Borough	Bergen	63	Delanco Township	Burlington
28	Boonton Township	Morris	64	Demarest Borough	Bergen
29	Bordentown City	Burlington	65	Denville Township	Morris
30	Bordentown Township	Burlington	66	Deptford Township	Gloucester
31	Bound Brook Borough	Somerset	67	Dover Town	Morris
32	Bradley Beach Borough	Monmouth	68	Dumont Borough	Bergen
33	Branchburg Township	Somerset	69	Dunellen Borough	Middlesex
34	Brick Township	Ocean	70	East Amwell Township	Hunterdon
35	Bridgeton City	Cumberland	71	East Brunswick Township	Middlesex
36	Bridgewater Township	Somerset	72	East Greenwich Township	Gloucester

	Municipality	County		Municipality	County
73	East Hanover Township	Morris	120	Greenwich Township	Gloucester
74	East Newark Borough	Hudson	121	Guttenberg Town	Hudson
75	East Orange City	Essex	122	Hackensack City	Bergen
76	East Rutherford Borough	Bergen	123	Haddon Heights Borough	Camden
77	East Windsor Township	Mercer	124	Haddon Township	Camden
78	Eastampton Township	Burlington	125	Haddonfield Borough	Camden
79	Eatontown Borough	Monmouth	126	Hainesport Township	Burlington
80	Edgewater Borough	Bergen	127	Haledon Borough	Passaic
81	Edgewater Park Borough	Burlington	128	Hamilton Township	Atlantic
82	Edison Township	Middlesex	129	Hamilton Township	Mercer
83	Egg Harbor City	Atlantic	130	Hanover Township	Morris
84	Elizabeth City	Union	131	Harding Township	Morris
85	Elk Township	Gloucester	132	Harrington Park Borough	Bergen
86	Elmwood Park Borough	Bergen	133	Harrison Town	Hudson
87	Elsinboro Township	Salem	134	Harrison Township	Gloucester
88	Emerson Borough	Bergen	135	Hasbrouck Heights Borough	Bergen
89	Englewood City	Bergen	136	Haworth Borough	Bergen
90	Englewood Cliffs Borough	Bergen	137	Hawthorne Borough	Passaic
91	Englishtown Borough	Monmouth	138	Hazlet Township	Monmouth
92	Essex Fells Borough	Essex	139	Helmetta Borough	Middlesex
93	Evesham Township	Burlington	140	Highland Park Borough	Middlesex
94	Ewing Township	Mercer	141	Highlands Borough	Monmouth
95	Fair Haven Borough	Monmouth	142	Hightstown Borough	Mercer
96	Fair Lawn Borough	Bergen	143	Hillsborough Township	Somerset
97	Fairfield Township	Essex	144	Hillsdale Borough	Bergen
98	Fairview Borough	Bergen	145	Hillside Township	Essex
99	Fanwood Borough	Union	146	Hoboken City	Hudson
100	Far Hills Borough	Somerset	147	Ho-Ho-Kus Borough	Bergen
101	Farmingdale Borough	Monmouth	148	Holmdel Township	Monmouth
102	Fieldsboro Borough	Burlington	149	Hopewell Borough	Mercer
103	Florence Township	Burlington	150	Hopewell Township	Cumberland
104	Florham Park Borough	Morris	151	Hopewell Township	Mercer
105	Fort Lee Borough	Bergen	152	Howell Township	Monmouth
106	Franklin Lakes Borough	Bergen	153	Interlaken Borough	Monmouth
107	Franklin Township	Gloucester	154	Irvington Township	Essex
108	Franklin Township	Somerset	155	Island Heights Borough	Ocean
109	Freehold Borough	Monmouth	156	Jackson Township	Ocean
110	Freehold Township	Monmouth	157	Jamesburg Borough	Middlesex
111	Garfield City	Bergen	158	Jefferson Township	Morris
112	Garwood Borough	Union	159	Jersey City	Hudson
113	Glassboro Borough	Gloucester	160	Keansburg Borough	Monmouth
114	Glen Ridge Borough	Essex	161	Kearny Town	Hudson
115	Glen Rock Borough	Bergen	162	Kenilworth Borough	Union
116	Gloucester City	Camden	163	Keyport Borough	Monmouth
117	Gloucester Township	Camden	164	Lake Como Borough	Monmouth
118	Green Brook Township	Somerset	165	Lakehurst Borough	Ocean
119	Greenwich Township	Cumberland	166	Lakewood Township	Ocean

	Municipality	County		Municipality	County
167	Lawnside Borough	Camden	214	Montville Township	Morris
168	Lawrence Township	Mercer	215	Moonachie Borough	Bergen
169	Leonia Borough	Bergen	216	Morris Plains Borough	Morris
170	Lincoln Park Borough	Morris	217	Morris Township	Morris
171	Linden City	Union	218	Morristown Town	Morris
172	Little Falls Township	Passaic	219	Mount Ephraim Borough	Camden
173	Little Ferry Borough	Bergen	220	Mount Holly Township	Burlington
174	Little Silver Borough	Monmouth	221	Mount Laurel Township	Burlington
175	Livingston Township	Essex	222	Mount Olive Township	Morris
176	Loch Arbour Village	Monmouth	223	Mountain Lakes Borough	Morris
177	Lodi Borough	Bergen	224	Mountainside Borough	Union
178	Long Branch City	Monmouth	225	National Park Borough	Gloucester
179	Long Hill Township	Morris	226	Neptune City Borough	Monmouth
180	Lumberton Township	Burlington	227	Neptune Township	Monmouth
181	Lyndhurst Township	Bergen	228	New Brunswick City	Middlesex
182	Madison Borough	Morris	229	New Hanover Township	Burlington
183	Mahwah Township	Bergen	230	New Milford Borough	Bergen
184	Manalapan Township	Monmouth	231	New Providence Borough	Union
185	Manasquan Borough	Monmouth	232	Newark City	Essex
186	Manchester Township	Ocean	233	North Arlington Borough	Bergen
187	Mansfield Township	Burlington	234	North Bergen Township	Hudson
188	Mantoloking Borough	Ocean	235	North Brunswick Township	Middlesex
189	Mantua Township	Gloucester	236	North Caldwell Borough	Essex
190	Manville Borough	Somerset	237	North Haledon Borough	Bergen
191	Maple Shade Township	Burlington	238	North Hanover Township	Burlington
192	Maplewood Township	Essex	239	North Plainfield Borough	Somerset
193	Marlboro Township	Monmouth	240	Northvale Borough	Bergen
194	Matawan Borough	Monmouth	241	Norwood Borough	Bergen
195	Maywood Borough	Bergen	242	Nutley Township	Essex
196	Medford Lakes Borough	Burlington	243	Oakland Borough	Bergen
197	Medford Township	Burlington	244	Oaklyn Borough	Camden
198	Mendham Borough	Morris	245	Ocean Township	Monmouth
199	Mendham Township	Morris	246	Oceanport Borough	Monmouth
200	Merchantville Borough	Camden	247	Old Bridge Township	Middlesex
201	Middle Township	Cape May	248	Old Tappan Borough	Bergen
202	Middlesex Borough	Middlesex	249	Oradell Borough	Bergen
203	Middletown Township	Monmouth	250	Orange City	Essex
204	Midland Park Borough	Bergen	251	Palisades Park Borough	Bergen
205	Millburn Township	Essex	252	Paramus Borough	Bergen
206	Millstone Township	Monmouth	253	Park Ridge Borough	Bergen
207	Mine Hill Township	Morris	254	Parsippany-Troy Hills Township	Morris
208	Monmouth Beach Borough	Monmouth	255	Passaic City	Passaic
209	Monroe Township	Gloucester	256	Paterson City	Passaic
210	Monroe Township	Middlesex	257	Paulsboro Borough	Gloucester
211	Montclair Township	Essex	258	Peapack & Gladstone	Somerset
212	Montgomery Township	Somerset			
213	Montvale Borough	Bergen			

	Municipality	County		Municipality	County
	Borough		305	Sea Girt Borough	Monmouth
259	Pemberton Township	Burlington	306	Secaucus Town	Hudson
260	Pennington Borough	Mercer	307	Shamong Township	Burlington
261	Pennsauken Township	Camden	308	Shiloh Borough	Cumberland
262	Perth Amboy City	Middlesex	309	Shrewsbury Borough	Monmouth
263	Pine Hill Borough	Camden	310	Shrewsbury Township	Monmouth
264	Piscataway Township	Middlesex	311	Somerville Borough	Somerset
265	Pitman Borough	Gloucester	312	South Amboy City	Middlesex
266	Plainfield City	Union	313	South Bound Brook Borough	Somerset
267	Plainsboro Township	Middlesex	314	South Brunswick Township	Middlesex
268	Pleasantville City	Atlantic	315	South Hackensack Township	Bergen
269	Point Pleasant Beach Borough	Ocean	316	South Orange Village Township	Essex
270	Point Pleasant Borough	Ocean	317	South Plainfield Borough	Middlesex
271	Princeton	Mercer	318	Southampton Township	Burlington
272	Prospect Park Borough	Passaic	319	Spotswood Borough	Middlesex
273	Quinton Township	Salem	320	Spring Lake Borough	Monmouth
274	Ramsey Borough	Bergen	321	Spring Lake Heights Borough	Monmouth
275	Randolph Township	Morris	322	Springfield Township	Burlington
276	Raritan Borough	Somerset	323	Springfield Township	Union
277	Readington Township	Hunterdon	324	Stow Creek Township	Cumberland
278	Red Bank Borough	Monmouth	325	Summit City	Union
279	Ridgefield Borough	Bergen	326	Tabernacle Township	Burlington
280	Ridgefield Park Village	Bergen	327	Tavistock Borough	Camden
281	Ridgewood Village	Bergen	328	Teaneck Township	Bergen
282	River Edge Borough	Bergen	329	Tenafly Borough	Bergen
283	River Vale Township	Bergen	330	Teterboro Borough	Bergen
284	Riverside Township	Burlington	331	Tinton Falls Borough	Monmouth
285	Robbinsville Township	Mercer	332	Toms River Township	Ocean
286	Rochelle Park Township	Bergen	333	Totowa Borough	Bergen
287	Rockaway Borough	Morris	334	Trenton City	Mercer
288	Rockaway Township	Morris	335	Union Beach Borough	Monmouth
289	Rockleigh Borough	Bergen	336	Union City	Hudson
290	Rocky Hill Borough	Somerset	337	Union Township	Union
291	Roosevelt Borough	Monmouth	338	Upper Deerfield Township	Cumberland
292	Roseland Borough	Essex	339	Upper Freehold Township	Monmouth
293	Roselle Borough	Union	340	Upper Saddle River Borough	Bergen
294	Roselle Park Borough	Union	341	Verona Township	Essex
295	Roxbury Township	Morris	342	Victory Gardens Borough	Morris
296	Rumson Borough	Monmouth	343	Vineland City	Cumberland
297	Runnemede Borough	Camden	344	Voorhees Township	Camden
298	Rutherford Borough	Bergen	345	Waldwick Borough	Bergen
299	Saddle Brook Township	Bergen			
300	Saddle River Borough	Bergen			
301	Salem City	Salem			
302	Sayreville Borough	Middlesex			
303	Scotch Plains Township	Union			
304	Sea Bright Borough	Monmouth			

	Municipality	County		Municipality	County
346	Wall Township	Monmouth	363	Westampton Township	Burlington
347	Wallington Borough	Bergen	364	Westfield Town	Union
348	Warren Township	Somerset	365	Westwood Borough	Bergen
349	Washington Township	Bergen	366	Weymouth Township	Atlantic
350	Washington Township	Gloucester	367	Wharton Borough	Morris
351	Washington Township	Morris	368	Willingboro Township	Burlington
352	Watchung Borough	Somerset	369	Winfield Township	Union
353	Waterford Township	Camden	370	Winslow Township	Camden
354	Wayne Township	Passaic	371	Woodbridge Township	Middlesex
355	Weehawken Town	Hudson	372	Woodbury City	Gloucester
356	West Amwell Township	Hunterdon	373	Woodbury Heights Borough	Gloucester
357	West Caldwell Township	Essex	374	Woodcliff Lake Borough	Bergen
358	West Deptford Township	Gloucester	375	Woodland Park Borough	Passaic
359	West Long Branch Borough	Monmouth	376	Woodlynne Borough	Camden
360	West New York Town	Hudson	377	Wood-Ridge Borough	Bergen
361	West Orange Township	Essex	378	Wrightstown Borough	Burlington
362	West Windsor Township	Mercer	379	Wyckoff Township	Bergen