

Agenda Date: 9/11/15 Agenda Item: IIIA

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/

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CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CABLEVISION OF NEW JERSEY, LLC FOR THE CONVERSION TO A SYSTEM-WIDE CABLE TELEVISION FRANCHISE IN THE CITY OF BAYONNE SIXTH ORDER OF AMENDMENT

DOCKET NO. CE09030230

Parties of Record:

R. Thurman Barnes, Area Director, Government & Public Affairs - NJ, Cablevision Systems Corporation **Robert Sloan, Clerk**, City of Bayonne, New Jersey

BY THE BOARD:1

On June 10, 2009, the Board of Public Utilities ("Board") issued an order memorializing the conversion by Cablevision of New Jersey, Inc. ("CVNJ, Inc.") of its municipal consent-based franchise in the Borough of Fair Lawn to a System-wide Cable Television Franchise in the above referenced docket number for a term of seven years to expire on March 20, 2016. Subsequently, CVNJ, Inc. underwent a name change and is now known as Cablevision of New Jersey, LLC ("Cablevision of New Jersey"). On August 4, 2010, the Board issued an Order of Amendment to include six additional municipalities: the Borough of Bergenfield, the Borough of Dumont, the Borough of Haworth, the Borough of Hillsdale, the Borough of Oradell and the Borough of Paramus. On September 16, 2010, the Board issued a Second Order of Amendment to include five additional municipalities: the Borough of Closter, the Borough of Emerson, the Borough of Norwood, the Borough of Rockleigh and the Borough of Woodcliff Lake. On November 10, 2010, the Board issued a Third Order of Amendment to include the Borough of Saddle River and the Township of River Vale. On February 10, 2011, The Board issued a Fourth Order of Amendment to include the Borough of Demarest, the Borough of Harrington Park, the Borough of New Milford and the Borough of Northvale. On July 23, 2014, the Board issued a Fifth Order of Amendment to include the Borough of Tenafly.

Pursuant to <u>N.J.S.A.</u> 48:5A-25.1 and <u>N.J.A.C.</u> 14:18-14.13, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of P.L. 2006, c. 83 ("System-wide Cable Television Franchise Act" or "Act") may automatically convert any or

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

all of its municipal consent-based franchises upon notice to the Board and to the affected municipality or municipalities. In addition, pursuant to <u>N.J.A.C.</u> 14:18-14.14, a cable television company operating under a system-wide cable television franchise may add municipalities to its system-wide cable television franchise upon notice to the affected municipality or municipalities and the Board.

On August 3, 2015, Cablevision of New Jersey filed notice with the City of Bayonne that it would convert its municipal consent-based franchise in the City, thereby making them part of its Cablevision of New Jersey system-wide cable television franchise, and it confirmed that it would abide by the provisions of <u>N.J.S.A.</u> 48:5A-28(h)-(n), as required by the System-wide Cable Television Franchise Act. That notice was received by the Board on August 4, 2015.

DISCUSSION

Under <u>N.J.S.A.</u> 48:5A-25.1, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of the Act may automatically convert any or all of its municipal consent-based franchises upon notice to the Board and to the City of Bayonne without meeting the requirements applicable to cable television operators applying for a system-wide cable television franchise, except that the commitment requirements under <u>N.J.S.A.</u> 48:5A-28(h)-(n) shall be applicable to all system-wide cable television franchises, including conversions. <u>N.J.S.A.</u> 48:5A-28(h)-(n) impose requirements on all cable television companies operating under a system-wide cable television franchise and includes commitments as to line extensions; public, educational and governmental ("PEG") access channels; interconnection with other cable television companies; free cable and Internet service to public schools and municipal buildings; training and equipment for access users; PEG access return feeds; and compliance with customer protection regulations. As noted above, Cablevision of New Jersey has committed to provide service to the City of Bayonne as required by these provisions.

DISPOSITION OF CERTIFICATE OF APPROVAL AND UNDERLYING MUNICIPAL CONSENT

As discussed above, the Act allows a cable television company, operating under a municipal consent-based franchise, to "automatically convert" its system in any or all of its municipalities without approval from the Board or the impacted municipalities. <u>N.J.S.A.</u> 48:5A-25.1(a). Furthermore, <u>N.J.S.A.</u> 48:5A-19 provides that a "certificate of approval issued by the board shall be valid for 15 years from the date of issuance... or until the expiration, revocation, termination or renegotiation of any municipal consent upon which it is based, whichever is sooner."

Cablevision of New Jersey's Certificate of Approval and the underlying municipal consent ordinance in the City of Bayonne expired on June 7, 2008. Cablevision initiated renewal proceedings with the City of Bayonne and was thereby authorized to continue to provide cable television service to the City of Bayonne pursuant to <u>N.J.S.A.</u> 48:5A-25, pending disposition of the proceedings regarding the renewal of its Certificate. Because Cablevision of New Jersey has now converted the City of Bayonne's municipal consent based-franchises to a system-wide cable television franchise, pursuant to <u>N.J.S.A.</u> 48:5A-19 and <u>N.J.S.A.</u> 48:5A-25.1(a), the Board <u>FINDS</u> that Cablevision of New Jersey's Certificate of Approval for the City of Bayonne has expired by operation of law.

Cablevision of New Jersey is authorized to provide cable television service to the City of Bayonne, pursuant to its converted system-wide cable television franchise and the requirements of N.J.S.A. 48:5A-28(h)-(n) and applicable law.

With regard to <u>N.J.S.A.</u> 48:5A-28(h), a system-wide cable television franchise operator is required to meet or exceed the line extension policy ("LEP") commitments of the cable television company operating under a municipal consent-based franchise at the time the franchise is granted. Therefore, because Cablevision of New Jersey was the incumbent municipal consent-based franchise holder in the City of Bayonne, it is required to continue to provide, at a minimum, service to any residence in the City of Bayonne in accordance with its policies in effect at the time of conversion. Accordingly, in the City of Bayonne, Cablevision of New Jersey shall provide service to any resident in the municipality at no cost beyond the installation rates contained in its schedule of prices, rates, terms and conditions filed with the Board.

Based upon the elements of the System-wide Cable Television Franchise, and the legal mandates under which the Board operates, this Order <u>HEREBY</u> <u>RATIFIES</u> the addition of the City of Bayonne to Cablevision of New Jersey's System-wide Cable Television Franchise.

This Sixth Order of Amendment to the System-wide Cable Television Franchise serves to add the City of Bayonne to Cablevision of New Jersey's System-wide Cable Television Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that June 10, 2009 Order, except with respect to the LEP, as discussed above.

Without limitations to the full requirements set forth in that Order, the Board reminds Cablevision of New Jersey that, under the System-wide Cable Television Franchise, it is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. To the extent possible based upon the technology used in providing service, Cablevision of New Jersey shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> § 76.1 <u>et seq.</u>, including, but not limited to, the technical standards 47 <u>C.F.R.</u> § 76.601 through § 76.630. Any modifications to the provisions thereof shall be incorporated into the System-wide Cable Television Franchise.

Failure to comply with all applicable laws, rules, regulations, or orders of the Board or the Office of Cable Television and/or the terms, conditions, or limitations set forth herein may subject Cablevision of New Jersey to penalties, as enumerated in <u>N.J.S.A.</u> 48:5A-51, and/or may constitute sufficient grounds for the suspension or revocation of the System-wide Cable Television Franchise.

This Sixth Order of Amendment to the System-wide Cable Television Franchise is issued on the representation that the statements contained in Cablevision of New Jersey's applications, notices, and other writings are true, and the undertakings therein contained shall be adhered to and be enforceable, unless specific waiver is granted by the Board or the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Order shall be effective on September 21, 2015.

DATED: BOARD OF PUBLIC UTILITIES 9-11-15 BY: CHARD S. MR PRESIDENT JOŚEPH L. FIORDALISO COMMISSIONER **domm**ⁱssioner DIANNE SOLOMON COMMISSIONER ATTEST IRENE KIM ASBURY SECRETARY

I MEMEBY CERTIFY that the within document is a true copy of the original in the flies of the Board of Public Utilities

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