



Agenda Date: 12/18/18

Agenda Item: IIIB

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF)
COMCAST OF CENTRAL NEW JERSEY II, LLC,)
FOR A RENEWAL CERTIFICATE OF APPROVAL)
TO CONTINUE TO CONSTRUCT, OPERATE AND)
MAINTAIN A CABLE TELEVISION SYSTEM IN)
AND FOR THE TOWNSHIP OF FRANKLIN,)
COUNTY OF HUNTERDON, STATE OF NEW)
JERSEY)

RENEWAL CERTIFICATE OF APPROVAL

DOCKET NO. CE16020117

Parties of Record:

Dennis C. Linken, Esq., Scarinci Hollenbeck, LLC, on behalf of Comcast of Central New Jersey II, LLC
Ursula Stryker, Clerk, Township of Franklin, New Jersey

BY THE BOARD:¹

On October 7, 1988, the Board of Public Utilities ("Board") granted Comvideo Systems, Inc. d/b/a C-TEC Cable Systems a Certificate of Approval in Docket No. CE88080964, for the construction, operation, and maintenance of a cable television system in the Township of Franklin ("Township"). Due to a series of Board approved transfers, the Certificate of Approval was held by Patriot Media & Communications CNJ, LLC ("Patriot"). On September 23, 2004, the Board issued a Renewal Certificate of Approval to RCN of New Jersey, Inc., in Docket No. CE00090702, in which order the Board noted that Patriot now held the Certificate for the Township. Due to an additional series of Board approved transfers, the current holder of the Certificate is Comcast of Central New Jersey II, LLC ("Petitioner"). Although the Petitioner's above referenced Certificate expired on September 23, 2014, 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.

¹ Commissioner Robert M. Gordon recused himself due to a potential conflict of interest and as such took no part in discussions or deliberations on this matter.

The Petitioner filed an application for the renewal of its municipal consent with the Township on December 23, 2013, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13-1 to 9. The Township, after public hearing, adopted an ordinance granting renewal of municipal consent to the Petitioner on September 24, 2015. The Petitioner formally accepted the terms and conditions of the ordinance on October 20, 2015. On February 12, 2016, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate for the Township. Upon review, it was noted that the Township's ordinance contained contradictory information regarding the homes per mile figure ("HPM") to be utilized with the line extension policy ("LEP"). Thereafter, on November 8, 2018, the Township amended its ordinance to clarify the HPM. On November 16, 2018, the Petitioner formally accepted the amendment to the ordinance and amended the petition on November 29, 2018.

The Board has reviewed the application for municipal consent; the municipal consent ordinance and amended municipal consent ordinance; and the petition and amended petition for a Renewal Certificate of Approval. Based upon this review and the recommendation of the Office of Cable Television and Telecommunications, the Board **HEREBY FINDS** the following:

1. The Petitioner possesses the requisite legal, character, financial, and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by Township 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 fifteen (15) years, with an automatic renewal provision for a term of ten (10) years thereafter, pursuant to N.J.S.A. 48:5A-19 and 25. The Board finds these franchise periods reasonable.
5. The Township has reserved the right to review the Petitioner's performance with regard to the ordinance. In the event that the Township shall find that the Petitioner has not substantially complied with the material terms and conditions of the ordinance, the Township shall have the right to petition the Board for appropriate administrative action, pursuant to N.J.S.A. 48:5A-47, provided, however, that the Township shall first have given the Petitioner written notice of all alleged instances of non-compliance and an opportunity to cure the same within 90 (ninety) days of that notification.
6. The Petitioner shall provide service to any person's residence or business in the Primary Service Area at no cost beyond standard and non-standard installation charges. For any extension outside the Primary Service Area, the Petitioner shall utilize the LEP attached to the Certificate ("Appendix I"). The minimum HPM is twenty-five (25).

7. 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 and Telecommunications. The Petitioner shall maintain and file with the Board informational schedules of prices, terms, and conditions for unregulated service and promptly file any revisions thereto.
8. 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 and Telecommunications. All complaints shall be received and processed in accordance with any applicable rules.
9. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating, and resolving complaints. Currently, the local office is located at 279 Amwell Road, Hillsborough, New Jersey.
10. The franchise fee to be paid to the Township is specified to be two percent (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 or any additional amount required by N.J.S.A. 48:5A-30. Additional regulatory fees shall be paid to the State in an amount not to exceed two percent (2%) of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
11. The Petitioner shall provide public, educational, and governmental ("PEG") access facilities as described in the application and the ordinance. The Petitioner shall continue to provide one (1) governmental access channel for use by the Township. The Petitioner also provides one (1) educational access channel for use by educational institutions, including public or private schools, community colleges and universities and one (1) public access channel for use by the community in accordance with the Petitioner's community access rules.
12. Within six (6) months of issuance of this Certificate, the Petitioner shall pay the Township a grant in the amount of \$12,000 to meet the access and technology needs of the municipality. Upon payment, the Petitioner shall provide the Office of Cable Television and Telecommunications with proof of satisfaction of this obligation.
13. The Petitioner shall provide Expanded Basic or a similar tier of monthly cable television service on one (1) outlet, at no cost, to each qualified existing and future school in the Township, public and private, elementary, intermediate, and secondary. To qualify for free installation, the school must be located within 175 feet of active cable distribution plant. Each additional outlet installed shall be paid for on a materials plus labor basis by the school requesting service.

14. The Petitioner shall provide Expanded Basic or a similar tier of monthly cable television service, at no cost, on one (1) outlet to each qualified existing and future public building in the Township. In order to qualify for free installation, the facility must be located within 175 feet of active cable distribution plant. The Township shall pay for each additional outlet installed, if any, on a materials plus labor basis.

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 to 64; 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 and federal law as preconditions for engaging in the proposed cable television operations; that the Petitioner has sufficient financial and technical capacity, and 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 **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 Telecommunications, 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 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 Certificate.

Failure to comply with all applicable laws, rules, regulations, and orders of the Board or the Office of Cable Television and Telecommunications and/or the terms, conditions, and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

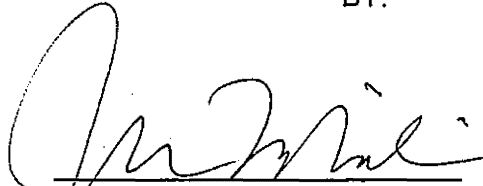
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and be enforceable unless specific waiver is granted by the Office of Cable Television and Telecommunications pursuant to the authority contained in N.J.S.A. 48:5A-1 to 64.

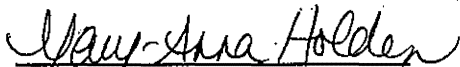
This Certificate shall expire September 23, 2029.

This Order shall be effective on December 28, 2018.

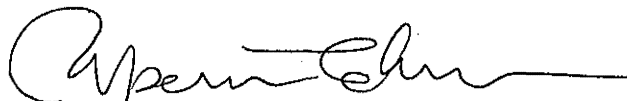
DATED: 12/18/18


BOARD OF PUBLIC UTILITIES
BY:


JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

APPENDIX "I"
Office of Cable Television and Telecommunications
Line Extension Policy

Company: Comcast of Central New Jersey II, LLC
Municipality: Township of Franklin, County of Hunterdon

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. $\frac{\text{\# of homes in extension}}{\text{mileage of extension}} = \text{homes per mile ("HPM") of extension}$
- 2. $\frac{\text{HPM of extension}}{\text{Minimum HPM that company actually constructs in the system *}} = \text{ratio of the density of the extension to the minimum density which the company constructs in the system ("A")}$
- 3. $\text{Total cost of building the extension times "A"} = \text{company's share of extension cost}$
- 4. $\text{Total cost of building extension less company's share of extension cost} = \text{total amount to be recovered from subscribers}$
- 5. $\frac{\text{Total amount to be recovered from subs}}{\text{Total subscribers in extension}} = \text{each subscriber's share}$

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 breakeven 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 thirty (30) days of such a request.
2. Begin construction within sixty (60) days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six (6) 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 (5) years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five (5) 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.

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