



State of New Jersey
BOARD OF PUBLIC UTILITIES
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Office of Cable Television and Telecommunications (OCTV&T)

I/M/O the Application of
Verizon New Jersey, Inc. for
Renewal of a System-wide
Cable Television Franchise
BPU Docket No. CE13080756

FRANCHISE RENEWAL /
ASCERTAINMENT REPORT
MAY 5, 2020

BACKGROUND/PROCEDURAL HISTORY

In August 2006, amendments to the New Jersey Cable Act, N.J.S.A. 48:5A-1 et seq. ("State Act") were enacted which were intended to accelerate cable competition and consumer choice. This legislation provided cable operators a choice between acquiring traditional franchises town by town, as had been the practice in New Jersey since the 1970's, or applying directly to the Board of Public Utilities ("Board") for a system-wide franchise.

Verizon-New Jersey, Inc. ("Verizon"), a local exchange telecommunications carrier, was the first entity to apply for a system-wide franchise to provide cable television service under the newly enacted amendments to the State Act. In December 2006, the Board approved Verizon's system-wide franchise application, granting Verizon the authority to enter the cable television market in 316 municipalities.¹ On January 30, 2014, the Board approved the renewal of Verizon's System-wide Cable Television Franchise in 379 municipalities². As of the 1st quarter of 2020, Verizon has added 12 additional municipalities to its system-wide franchise service area, and is currently authorized to provide cable television service in 392³ municipalities.

Pursuant to the amended State Act, Verizon was granted a seven-year renewal of its franchise, which is set to expire on December 18, 2020. Franchise renewal in New Jersey is governed by the federal Communications Policy Act of 1934, as amended ("Federal Act"), the amended State Act, and the Board's rules in the New Jersey Administrative Code ("N.J.A.C."). The Federal Act (47 U.S.C. §546) sets out the *ascertainment* process required to be used by franchising authorities in the renewal process. Ascertainment is the term utilized to explain the fact-finding process used by franchising authorities to examine the past performance of the cable operator and identify the future cable-related needs of the community. The Board's review of Verizon's performance under its franchise as stated in both the State Act and the Board's rules at N.J.A.C. 14:18-14.17(b), is specifically limited to:

1. Any Statewide needs and requirements as may be established by the State Cable Act;
2. The extent to which Verizon has met its commitments pursuant to N.J.S.A. 48:5A-28 and the rules and regulations of the Office of Cable Television, in accordance with the State Cable Act; and
3. Performance and substantial compliance with material terms and conditions of Verizon's existing system-wide franchise based on notice and opportunity to cure under applicable Federal law as placed on the record.

The Board's rules at N.J.A.C. 14:18-14.17(c) require that, at least seven months prior to the expiration of the franchise, the Office of Cable Television and Telecommunications (OCTV&T) must issue an ascertainment report to the Board, which must be made available for public inspection.

¹ Order, *In the Matter of the Application of Verizon New Jersey, Inc. for a System-wide Cable Television Franchise*, BPU Docket No. CE06110768 (December 18, 2006).

² Order, *In the Matter of the Application of Verizon New Jersey, Inc. for Renewal of a System-wide Cable Television Franchise*, BPU Docket No. CE13080756 (January 29, 2014) Attachment 3

³ Verizon stated the number to be 392, based on the fact that it holds a franchise for Princeton Borough and Princeton Township. The Borough of Princeton and the Township of Princeton consolidated into one municipality to be known as Princeton ("Princeton") for all governmental functions, effective January 1, 2013.

On January 24, 2018, the OCTV&T notified Verizon of its intention to review its performance under its system-wide franchise pursuant to Federal and state guidelines, as outlined above. On February 13, 2020, the OCTV&T invited Verizon to file comments on its performance under the 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 OCTV&T on March 30, 2020.⁴ In its comments, Verizon contends that it has widely deployed its cable television service in New Jersey to fulfill its statutory obligations under the system-wide franchise, and that current and future cable related needs of the municipalities served by Verizon are substantially fulfilled by the State Act's statutory obligations, including higher franchise fees, PEG programming, equipment and training and free municipal connections.

Pursuant to the franchise renewal rules, N.J.A.C. 14:18-14.18, Verizon will file its formal franchise renewal application in August 2020. Ample opportunity for public comment will be available through two public hearings required to be held in October 2020, and written comments to the Board will be accepted as well prior to the Board's review of Verizon's renewal franchise due to expire in December 2020.

⁴ See Attachment 1.

PERFORMANCE CRITERIA

1. Any Statewide needs and requirements as may be established by the State Cable Act;

Verizon's deployment commitments under its system-wide franchise are delineated in the State Cable Act at N.J.S.A. 48:5A-25.2a:

48:5A-25.2 Requirements for CATV system-wide franchise

a. As part of any system-wide franchise issued by the board pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.), a CATV company shall be required to:

(1) begin providing cable television service on a commercial basis, within three years of issuance of the system-wide franchise, in:

(a) each county seat that is within the CATV company's service area; and

(b) each municipality within the CATV company's service area that has a population density greater than 7,111 persons per square mile of land area, as determined by the most recent federal decennial census prior to the enactment of P.L.2006, c.83 (C.48:5A- 25.1 et al.). The requirements of this paragraph shall only apply to CATV companies that on the date of the issuance of the system-wide franchise provide more than 40 percent of the local exchange telephone service market in this State;

(2) make cable television service available throughout the residential areas of any such municipalities within six years of the date the CATV company first provides cable television service on a commercial basis directly to multiple subscribers within such central office area, subject to the CATV company's line extension policy; provided, however, that such provision of service shall not be required in:

(a) areas where developments or buildings are subject to claimed exclusive arrangements with other CATV companies;

(b) developments or buildings that the CATV company cannot access, using its standard technical solutions, under commercially reasonable terms and conditions after good faith negotiation; or

(c) areas in which the CATV company is unable to access the public rights-of-way under reasonable terms and conditions.

The requirements of this paragraph shall only apply to CATV companies that on the date of the issuance of the system-wide franchise provide more than 40 percent of the local exchange telephone service market in this State. As used in this subsection, "central office" has the same meaning as that term is defined in 47 C.F.R. Part 36, Appendix, and "central office area" means the towns or portions of towns served by such central office;

(3) provide service within the CATV company's service area where cable television service is being offered, without discrimination against any group of potential residential cable subscribers because of the income levels of the residents of the local area in which such groups reside; and

(4) fully complete a system capable of providing cable television service to all households within the CATV company's service area where cable television service is being offered, subject to the CATV company's line extension policy and the provisions of paragraphs (1) through (3) of this subsection.

Verizon's Deployment Commitments:

Verizon was granted approval to serve 316 municipalities in its initial franchise approved by the Board in December 2006. Under Verizon's renewal of the system-wide franchise approved January 2014, the total number of municipalities where service was authorized increased to 379.⁵ Verizon has since added 12 towns to its franchise and is now authorized to serve 392 towns. Verizon indicates in its comments that it now has already passed more than 2.7 million premises with its FiOS network in New Jersey, and is presently offering cable television service in all or parts of 371 of the total 392 towns in its franchise.⁶ Verizon is offering cable television service to

⁵ The Borough of Princeton and the Township of Princeton consolidated into one municipality to be known as Princeton "(Princeton)" for all governmental functions, which became effective January 1, 2013.

⁶ Verizon Comments at 3.

a number of households in these municipalities, and has certified with the Board that it is offering cable television service to more than 60% of the households in 262 municipalities.⁷ As of December 31, 2018, Verizon provided FiOS to approximately 765,000 customers.

Under the amended State Act, out of the 526 towns located in Verizon's local exchange telephone service territory, Verizon's deployment of its FiOS cable service was required in the residential areas of only 70 of the municipalities, consisting of the county seats in which it provides local exchange service, and those with greater than 7,111 residents per square mile.⁸ Verizon was required to start providing service to the noted 70 municipalities within three years of obtaining a system-wide franchise, and subject to certain exceptions, was required to make cable television service available throughout the residential areas of the noted 70 municipalities within six years of the date it first provided cable television service on a commercial basis.

Regarding deployment in the 70 required municipalities, as noted in the Board's 2014 Order renewing Verizon's franchise, Verizon furnished information to the Board via its quarterly deployment reports that it had achieved full availability of FiOS service in each of the 10 towns that were required for completion as of December 2012.⁹ 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. Verizon stated in its comments that it had satisfied its obligations under the above noted requirements by October of 2015.¹⁰ Following Verizon's completion of its build out to the 70 required municipalities, Verizon's deployment of services slowed to a halt. Since the State Act does not require that Verizon provide service outside of the 70 required municipalities, it is within Verizon's discretion as to where they will deploy service outside of its statutory deployment commitments. While the Board has continued to receive requests for extension of Verizon's service from residents outside of the 70 required municipalities, Verizon has chosen to not extend its deployment beyond the areas currently served at this time.

Multiple Dwelling Units (MDUs)/Waivers/Access Petitions

While Verizon's deployment requirement to the 70 required towns includes provision of service to MDUs, Verizon was allowed to seek a waiver of the requirements in three instances:

- “(a) areas where developments or buildings are subject to claimed exclusive arrangements with other CATV companies;
- (b) developments or buildings that the CATV company cannot access, using its standard technical solutions, under commercially reasonable terms and conditions after good faith negotiation; or
- (c) areas in which the CATV company is unable to access the public rights-of-way under reasonable terms and conditions.”¹¹

With respect to Verizon's deployment to MDUs in the 70 required towns, the Board set forth conditions in Verizon's Renewal Franchise, requiring that Verizon provide additional information in the quarterly service activation reports regarding the total addresses subject to waiver petitions and mandatory access petitions and the dates filed, as well as requiring waiver applications be filed prior to the required date of completion for deployment for the municipality

⁷ Verizon comments at 2.

⁸ Attachment II for listing of the 70 “must build” towns.

⁹ 1/29/14 Board Order at 4.

¹⁰ Verizon comments at 4.

¹¹ N.J.S.A. 48:5A-25.2a(2)

in which the MDU is located.¹² Verizon provided the required information to the Board in the quarterly activation reports up to its completion of deployment in October 2015, as noted above.

In its comments, Verizon discussed its deployment efforts to serve MDUs, which requires that MDU property owners enter into a premises access agreement (PAL) with Verizon to set the terms under which Verizon may be permitted to install equipment for the provision of service to the MDU. While Verizon has been able to successfully negotiate agreements to provide cable television service to thousands of MDU properties across the State, Verizon states in its comments that many MDU property owners have delayed and hampered their ability to provide service to MDUs. Among the reasons cited by Verizon for MDU owners refusing to allow access are: 1) doesn't want to inconvenience residents with an upgrade of the property's infrastructure unless residents request FiOS; 2) property already served by another cable provider; (3) doesn't want FiOS; (4) doesn't want to affect the aesthetics of the property.¹³ While Verizon has filed 84 waiver notices with the Board, it has still continued working with property owners to obtain access and to date, has withdrawn waiver notices covering more than 660 of the 5,500 MDU properties it had been unable to serve initially, with approximately 300 more pending withdrawal.¹⁴

Board Staff has been working with Verizon to try and assist in resolving many of the difficulties Verizon has had with various MDU property owners. In several instances, property owners raised concerns with the Board regarding damage to their buildings that may occur due to Verizon's proposed installations plans, and Verizon's unwillingness to negotiate certain aspects of the PAL in that regard. Board Staff recommends that Verizon continue to engage in good faith negotiations with MDU owners by attempting to accommodate their concerns with installation plans, where feasible.

Verizon noted in its comments that it has also filed over 560 mandatory access petitions requesting that the Board either grant Verizon access or waive the deployment obligation. Pursuant to N.J.A.C. § 14:18-4.5(b), upon receipt of a request for service from an MDU resident, Verizon must request access from the MDU owner to provide service. If the MDU owner refuses to provide access, Verizon is required to file a petition for mandatory access with the Board. Verizon has withdrawn more than 120 of these petitions after having successfully negotiated access to the subject properties. Board Staff continues to work with Verizon to address resolution of these petitions as well. Board Staff recommends that Verizon refresh their data with respect to their last date of contact with property owners, in an effort to resolve further petitions.

¹² 1/29/14 Board Order at 6.

¹³ Verizon Comments at 5

¹⁴ Verizon Comments at 4-5.

2. The extent to which Verizon has met its commitments pursuant to N.J.S.A. 48:5A-28 and the rules and regulations of the Office of Cable Television, in accordance with the State Cable Act;

Additional requirements for Verizon's system-wide franchise are set out under N.J.S.A. 48:5A-28:

48:5A-28. Contents of application, commitments by system-wide franchise

Each application for a municipal consent or system-wide franchise shall contain:

h. (1) With regard only to applications for a system-wide franchise, a commitment as to those municipalities that are served by a CATV company at the time of the application, to match or surpass any line extension policy operative at the time the system-wide franchise is granted and placed into effect prior to the enactment of P.L.2006, c.83 (C.48:5A-25.1 et al.) by a local franchise or certificate of approval, for the duration of the system-wide franchise. In any event, the CATV company shall extend its plant along public rights-of-way to all residences and businesses within 150 aerial feet of the CATV company's existing plant at no cost beyond the normal installation rate, and to all residences and businesses within 100 underground feet of the CATV company's plant at no cost beyond the normal installation rate, and shall set a minimum house per mile density of not less than 35 homes per square mile.

(2) This commitment shall be in addition to any and all board orders and rules that impact upon the extension of plant, except that such commitment shall supersede the board's regulations adopted as N.J.A.C. 14:3-8.1 et seq., which shall not apply to CATV companies, including telecommunications service providers that have obtained a system-wide franchise.

i. With regard only to applications for a system-wide franchise, a commitment to provide to each municipality that is served by a CATV company, with two public, educational and governmental access channels. In the event that two or more access channels are requested by a municipality, the municipality shall demonstrate that its cable-related needs require the provision of such additional access channels. 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. Each municipality or its nonprofit designee shall assume responsibility for the management, operations and programming of the public, educational and governmental access channels.

j. With regard only to applications for a system-wide franchise, a commitment to install and retain or provide, without charge, one service outlet activated for basic service to any and all fire stations, public schools, police stations, public libraries, and other such buildings used for municipal purposes.

k. With regard only to applications for a system-wide franchise, a commitment to provide free Internet service, without charge, through one service outlet activated for basic service to any and all fire stations, public schools, police stations, public libraries, and other such buildings used for municipal purposes.

l. With regard only to applications for a system-wide franchise, a commitment to provide equipment and training for access users, without charge, on a schedule to be agreed upon between the municipality and the CATV company.

m. 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.

n. With regard only to applications for a system-wide franchise, a commitment to meet any consumer protection requirements applicable, pursuant to board regulations, to cable television companies operating under certificates of approval.

Verizon's performance:

(h) – Line Extension Policy

Under its franchise, Verizon was required to provide a line extension policy ("LEP") that meets or exceeds the LEP offered by the incumbent in each municipality served. An LEP is a cost sharing formula that determines the dollar amount to be shared between a cable operator and a potential customer for construction along public right-of-way outside of the area where the company has agreed to provide service at no cost beyond installation charges. To date, while the OCTV&T has received some requests as to when FiOS service will be available to a particular location, it has not received any LEP requests. While Verizon has invoked LEPs in a limited number of municipalities, in all cases, it is where the company has no obligation to provide full service. Verizon has simply stated that it does not have FiOS plant available and the law does not permit the OCTV&T to require the company to provide service to residents that are not in one of the 70 required municipalities. Therefore, while an LEP may be in place in some towns, it is unlikely that it will be invoked.

(i)/(l) – Public, Educational and Governmental (PEG) access channels; equipment and training;

(j)/(k) – free basic cable and internet service to public schools, libraries and municipal bldgs.;

(m) – return feeds

The State Act requires that upon request, Verizon provide to the municipalities: up to two PEG access channels with equipment and training, free basic cable and internet connections to certain municipal locations, and one free return line. Verizon stated in its comments¹⁵ that it had:

- installed 522 return lines and interconnected with incumbent cable companies that enabled 310 municipalities to distribute or receive PEG programming;
- provided 7 county-wide PEG channels reaching residents in 224 municipalities;
- provided access to free PEG equipment and training at 7 county colleges across the State through its partnership with NJEDge (a consortium of NJ colleges); and
- installed free Internet and cable connections to 929 municipal locations in 213 municipalities.

It is noted that when Verizon began providing return lines, PEG access channels and free cable television and Internet service, the OCTV&T was copied on many requests as well as some complaints that the company was not complying with its obligations. Because of this, the OCTV&T required Verizon to provide quarterly reports on the status of these requests. In January of 2011, the OCTV&T relieved Verizon of filing reports, noting that it had received very few complaints since beginning of 2010, and that all inquiries/complaints would be handled on a case-by-case basis. The OCTV&T had been copied on only a few requests for these services, and since that time, the OCTV&T has received no new complaints.

Verizon was required to provide training and equipment for customers in its municipalities to produce PEG access programming. Verizon has noted that while seven county colleges in the State have this free equipment for use, it has received few requests for its use. Therefore, the program has not expanded.

¹⁵ Verizon comments at 6.

(n) – Consumer protection requirements

Verizon is required under the State Act to meet all consumer protection requirements under the Board's regulations. Per Verizon's franchise, the OCTV&T has served as the designated complaint office. To date, Verizon has complied with the consumer protections requirements under the Board's rules.

3. Performance and substantial compliance with material terms and conditions of Verizon's existing system-wide franchise based on notice and opportunity to cure under applicable Federal law as placed on the record.

Pursuant to the Federal Act, if the franchising authority finds that there are any substantial violations of the current franchise, it must provide the cable operator "notice and opportunity to cure" (47 U.S.C.A. § 546(d)). To date, Verizon has not been provided with notice of any substantial non-compliance with the terms of the existing franchise. Compliance reviews are performed by Staff of the OCTV&T of each cable television company in the state every 2-3 years. The OCTV&T will continue to review Verizon's compliance under its system-wide franchise and the Board's rules.

The complaint statistics compiled by the OCTV&T indicated the prior ascertainment report stated Complaint numbers continued to rise steadily, with cable industry reports almost doubling from 4.8 million to 8.7 million in 2011. While complaint numbers over the last seven (7) years have fluctuated, the overall pattern demonstrated is a steadily decline, with cable industry reports going from 4.06 million in 2013 to 3.07 million in 2019, which could be attributed to greater levels of competition in the industry. Upon review it appears the top complaint categories of billing, reception, appointment service calls and service interruption continue to remain consistent over the years.

NOTE:

Pursuant to the Board's rules, within 90 days of the filing of the OCTV&T Ascertainment Report, Verizon is required to file its franchise renewal application. Public Hearings will be provided following the filing of the Verizon's application to allow public comment.

ATTACHMENT 1

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Ava-Marie Madeam
Director
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March 30, 2020

VIA EMAIL

Lawanda R. Gilbert, Director
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New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, NJ 08625-0350
Lawanda.gilbert@bpu.nj.gov

Re: Verizon New Jersey Inc. System-Wide Cable Television Franchise Renewal

Dear Ms. Gilbert:

Verizon New Jersey Inc. (“Verizon”) submits these comments in response to the February 13, 2020 request from the Office of Cable Television and Telecommunications (“OCTV”) inviting Verizon to comment on its performance under its system-wide cable television franchise as renewed and how Verizon plans to meet the future cable-related needs of New Jersey (“State”) communities.

I. BACKGROUND AND INTRODUCTION

In August 2006, the New Jersey Legislature overwhelmingly passed – and the Governor signed into law – amendments to the New Jersey Cable Act (the “Cable Act Amendments”) intended to accelerate cable competition and consumer choice. The Cable Act Amendments eliminated the time-consuming and economically inefficient municipal franchise process by allowing an entity that wishes to provide cable television service in the State to apply for a single

system-wide” franchise from the Board of Public Utilities (“Board”), rather than applying for individual franchises on a municipality-by-municipality basis.¹

In December 2006, the Board approved Verizon’s system-wide franchise application, thereby granting Verizon the authority to enter the cable television market in 316 municipalities. Since that time, Verizon has added 76 additional municipalities to its system-wide franchise service area, for a total of 392 municipalities.²

In November 2009, the Board commenced a proceeding in accordance with *N.J.S.A.* § 48:5A-20(4)(d) to examine the effects of the entry of system-wide franchisees on the State’s cable television market and issued a report of its findings in June 2010 (“Report”). In the Report, the Board found that:

Overall the company has provided services to diverse communities and met the benchmarks required of them. Verizon has also employed and trained hundreds of workers and made significant investment in the state’s newest communications infrastructure resulting in an increase of local and state taxes.³

As a result of this report and other findings, in February 2014 the Board approved a seven-year renewal of Verizon’s system-wide franchise, which expires on December 18, 2020.

As discussed in detail below, Verizon has made a *massive* investment in the State’s communications infrastructure to widely deploy cable television service across much of its service territory from 2006 to the present. Verizon’s widespread entry into the cable television

¹ P.L. 2006, c. 83 (*N.J.S.A.* § 48:5A-25.1 *et seq.*)

² Two municipalities, Princeton Borough and Princeton Township, merged after they were added to Verizon’s franchise.

³ New Jersey Board of Public Utilities Report to the Governor and Legislature on the Effects of the System-Wide Franchise Cable Television Franchise in New Jersey (issued June 2010), page 2.

market has provided New Jersey residents with a superior competitive alternative to incumbent cable television companies and satellite providers, which has benefited consumers, municipalities and the State.

II. PERFORMANCE: VERIZON HAS WIDELY DEPLOYED CABLE TELEVISION SERVICE IN NEW JERSEY TO FULFILL ITS STATUTORY OBLIGATIONS UNDER THE SYSTEM-WIDE FRANCHISE

In the over 13 years since the Board granted Verizon a system-wide franchise, Verizon has invested approximately \$5 billion in its New Jersey fiber network. This enormous investment has allowed Verizon to deploy cable television service widely across its service territory in the State. Specifically, Verizon has already passed more than 2.7 million premises with its fiber network in New Jersey. Verizon is presently offering cable television service in 371 cities and towns in 19 counties across the State – more than are served by any other single wireline video provider. Verizon is offering cable television service to a large number of households in these municipalities, as shown by the Board’s approval of certifications⁴ that Verizon is offering cable television service to more than 60% of the households in 262 municipalities. From 2007 through 2019, Verizon paid over \$269 million in video franchise fees to municipalities and the State under its system-wide franchise.

To ensure non-discriminatory access to competitive cable television service, the Legislature set out specific requirements for system-wide franchisees. These requirements provide that system-wide franchisees, such as Verizon, must *begin* providing cable television

⁴ A system-wide franchisee must pay 3.5% of total video revenues to municipalities and up to 0.5% to the State Treasurer to administer a Universal CATV access fund. In contrast, incumbent cable companies must pay only 2% of basic cable revenues to municipalities, until and unless the Board certifies that Verizon is capable of serving at least 60 percent of the households in a municipality, in which case the incumbent provider must match the higher fee. *N.J.S.A* §§ 48:5A-30(a), (d).

service on a commercial basis, within three years of obtaining a system-wide franchise, in (i) each county seat within the system-wide franchisee's service area, and (ii) in each municipality within the system-wide franchisee's service area that has a population density greater than 7,111 persons per square mile of land area.⁵ The requirements further provide that, subject to certain exceptions, a system-wide franchisee must make cable television service available throughout the residential areas of these municipalities within six years of the date it first provides cable television service on a commercial basis directly to multiple subscribers within such a central office area.⁶

Verizon's service area encompasses 18 of the 21 county seats in New Jersey (all but the Hunterdon, Sussex and Warren County seats). Verizon's service area also encompasses 60 municipalities that meet the population density criteria. Given that some municipalities in Verizon's service territory meet both the county-seat and the population-density criteria, a total of 70 municipalities in Verizon's footprint are subject to the statutory requirements discussed above.⁷ Verizon satisfied its obligation under these requirements by October 2015.

Verizon's efforts to deploy cable television service in New Jersey extend to residents of multiple dwelling units ("MDUs"). Since being granted a system-wide franchise, Verizon has contacted representatives of thousands of MDUs, and has been negotiating premises access agreements so that it can offer cable television service to customers in these buildings. In fact,

⁵ *N.J.S.A.* § 48:5A-25.2(a)(1).

⁶ *N.J.S.A.* § 48:5A-25.2(a)(2).

⁷ Exhibit A, attached hereto, provides a list of the 70 municipalities.

Verizon offers cable television service to thousands of MDU properties across the State where Fios TV is available and Verizon has been granted access.

Regrettably, MDU property owners have delayed and hampered Verizon's ability to make Fios TV available within every MDU in these 70 municipalities. Verizon has experienced difficulties obtaining access to MDU properties because property owners have offered a litany of reasons not allow Verizon to serve their MDUs, including (1) the owner does not want to inconvenience residents with an upgrade of the property's infrastructure unless a resident requests Fios; (2) the owner is not required to give access to Verizon under the Board's rules⁸ because the property is already served by a cable provider; (3) the owner simply does not want Fios; (4) the owner does not want to affect the aesthetics of the property; or (5) Verizon has fulfilled its deployment obligations by making Fios available outside of the property.

Consequently, Verizon has filed 84 notices with the Board that it cannot obtain access to over 5,500 MDU properties, involving over 168,000 living units. More notices are expected. To date, the Board has acted on 6 notices, approving a waiver of deployment obligations in these MDUs. Verizon has continued working with property owners to obtain access and to date has provided Fios TV (and withdrawn waiver notices) to more than 660 of these properties, with approximately 300 more pending withdrawal. Verizon has also filed over 560 mandatory access petitions requesting that the Board either grant Verizon access or waive the deployment obligation.⁹ Verizon subsequently withdrew more than 120 of these petitions after having successfully negotiated access to the subject properties.

⁸ *N.J.A.C.* § 14:18-4.5(b).

⁹ Mandatory access petitions involve situations where at least one resident of an MDU property has requested Fios service, but property owners/managers have not granted access to Verizon. To date, the Board has acted on one

System-wide franchisees are required, upon request, to provide up to two PEG access channels, a free Internet and cable connection to certain municipal locations, free PEG equipment and training, and one free return line.¹⁰ Verizon provides an information packet to municipal personnel outlining municipal entitlements and the processes to request them, along with contact information for Verizon's video franchise management team. This outreach ensures that municipalities are aware of the system-wide franchise entitlements and as further described below, many have taken advantage of these benefits.

To date, Verizon has installed 522 return lines and interconnected with incumbent cable companies to enable 310 municipalities to distribute or receive PEG programming. Although not a requirement of its system-wide franchise, Verizon has also made seven county-wide PEG channels available, reaching residents in 224 municipalities. Through an innovative program administered by Edge (a consortium of New Jersey colleges), Verizon provides access to free PEG equipment and training at seven county colleges across the State.¹¹ Verizon has also installed free Internet and cable connections to 929 municipal locations in 213 municipalities.

III. FUTURE CABLE RELATED NEEDS OF COMMUNITIES

The Cable Act Amendments were crafted to include specific requirements for system-wide franchisees to guarantee that a consistent set of benefits are available to all municipalities to

petition, issuing an order on November 11, 2011 which granted Verizon access to the property. *See* Docket No. CE10120889.

¹⁰ *N.J.S.A.* § 48:5A-28(m).

¹¹ These programs have not been heavily used. This low usage could be due to the fact that municipalities that originate programming generally have the equipment necessary to record and/or broadcast their PEG programming.

meet their current and future cable-related needs.¹² Municipalities benefit from these statutory requirements because they do not have to engage in protracted negotiations to obtain benefits from a system-wide franchisee, as they are required to do under municipal consent franchises. The Cable Act Amendments establish the Board as the cable television franchising authority for New Jersey, and delineate the obligations that system-wide franchisees must undertake for the benefit of municipalities. In addition, system-wide franchisees pay substantially higher franchise fees to municipalities, providing the capability for municipalities to fulfill any unique cable-related needs they may face in the future.

IV. CONCLUSION

In summary, Verizon has met its deployment obligations under its system-wide franchise to the benefit of consumers, municipalities and the State. Moreover, New Jersey's specific statutory obligations require system-wide franchisees to fulfill current and future cable-related needs of municipalities.

Respectfully submitted,



Ava-Marie Madeam

cc: (via email)
Maria Novas-Ruiz, Division of Rate Counsel
Nancy Wolf, Office of Cable Television

¹² *N.J.S.A.* §§ 48:5A-28(h)-(n).

EXHIBIT A

	Municipality	County
1	Asbury Park	Monmouth
2	Audubon Park	Camden
3	Bayonne	Hudson
4	Belleville	Essex
5	Bergenfield	Bergen
6	Bloomfield	Essex
7	Bogota	Bergen
8	Bradley Beach	Monmouth
9	Bridgeton	Cumberland
10	Camden	Camden
11	Cliffside Park	Bergen
12	Collingswood	Camden
13	Dumont	Bergen
14	East Newark	Hudson
15	East Orange	Essex
16	Edgewater	Bergen
17	Elizabeth	Union
18	Elmwood Park	Bergen
19	Fairview	Bergen
20	Fort Lee	Bergen
21	Freehold Boro	Monmouth
22	Garfield	Bergen
23	Guttenberg	Hudson
24	Hackensack	Bergen
25	Haledon	Passaic
26	Hamilton Twp	Atlantic
27	Harrison	Hudson
28	Hasbrouck Heights	Bergen
29	Highland Park	Middlesex
30	Hillside	Union
31	Hoboken	Hudson
32	Irvington	Essex
33	Jamesburg	Middlesex
34	Jersey City	Hudson
35	Keansburg	Monmouth

	Municipality	County
36	Lake Como	Monmouth
37	Lodi	Bergen
38	Maywood	Bergen
39	Middle Twp	Cape May
40	Morristown	Morris
41	Mount Holly	Burlington
42	New Brunswick	Middlesex
43	Newark	Essex
44	North Bergen	Hudson
45	North Plainfield	Somerset
46	Nutley	Essex
47	Orange	Essex
48	Palisades Park	Bergen
49	Passaic	Passaic
50	Paterson	Passaic
51	Perth Amboy	Middlesex
52	Plainfield	Union
53	Princeton Boro	Mercer
54	Prospect Park	Passaic
55	Ridgefield Park	Bergen
56	Roselle	Union
57	Roselle Park	Union
58	Salem	Salem
59	Shrewsbury Twp	Monmouth
60	Somerville	Somerset
61	Toms River	Ocean
62	Trenton	Mercer
63	Union City	Hudson
64	Victory Gardens	Morris
65	Wallington	Bergen
66	Weehawken	Hudson
67	West New York	Hudson
68	Winfield	Union
69	Woodbury	Gloucester
70	Woodlynne	Camden

ATTACHMENT 2

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
1	Aberdeen Township	Monmouth	
2	Allendale Borough	Bergen	
3	Allenhurst Borough	Monmouth	
4	Allentown Borough	Monmouth	
5	Alloway Township	Salem	
6	Alpine Borough	Bergen	
7	Asbury Park City	Monmouth	YES
8	Atlantic Highlands Borough	Monmouth	
9	Audubon Borough	Camden	
10	Audubon Park Borough	Camden	YES
11	Avon-By-The-Sea Borough	Monmouth	
12	Barrington Borough	Camden	
13	Bay Head Borough	Ocean	
14	Bayonne City	Hudson	YES
15	Beachwood Borough	Ocean	
16	Bedminster Township	Somerset	
17	Belleville Township	Essex	YES
18	Bellmawr Borough	Camden	
19	Belmar Borough	Monmouth	
20	Bergenfield Borough	Bergen	YES
21	Berkeley Heights Township	Union	
22	Berkeley Township	Ocean	
23	Berlin Borough	Camden	
24	Berlin Township	Camden	
25	Bernards Township	Somerset	
26	Bernardsville Borough	Somerset	
27	Bloomfield Township	Essex	YES
28	Bloomington Borough	Passaic	
29	Bogota Borough	Bergen	YES
30	Boonton Township	Morris	
31	Bordentown City	Burlington	
32	Bordentown Township	Burlington	
33	Bound Brook Borough	Somerset	
34	Bradley Beach Borough	Monmouth	YES
35	Branchburg Township	Somerset	
36	Brick Township	Ocean	
37	Bridgeton City	Cumberland	YES
38	Bridgewater Township	Somerset	
39	Brielle Borough	Monmouth	
40	Brooklawn Borough	Camden	
41	Burlington City	Burlington	
42	Burlington Township	Burlington	

5/5/2020

1 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
43	Caldwell Borough	Essex	
44	Camden City	Camden	YES
45	Carlstadt Borough	Bergen	
46	Cedar Grove Township	Essex	
47	Chatham Borough	Morris	
48	Chatham Township	Morris	
49	Cherry Hill Township	Camden	
50	Chesilhurst Borough	Camden	
51	Chester Township	Morris	
52	Chesterfield Township	Burlington	
53	Clark Township	Union	
54	Clayton Borough	Gloucester	
55	Cliffside Park Borough	Bergen	YES
56	Clifton City	Passaic	
57	Closter Borough	Bergen	
58	Collingswood Borough	Camden	YES
59	Colts Neck Township	Monmouth	
60	Corbin City	Atlantic	
61	Cranbury Township	Middlesex	
62	Cranford Township	Union	
63	Cresskill Borough	Bergen	
64	Deal Borough	Monmouth	
65	Deerfield Township	Cumberland	
66	Delanco Township	Burlington	
67	Demarest Borough	Bergen	
68	Denville Township	Morris	
69	Deptford Township	Gloucester	
70	Dover Town	Morris	
71	Dumont Borough	Bergen	YES
72	Dunellen Borough	Middlesex	
73	East Amwell Township	Hunterdon	
74	East Brunswick Township	Middlesex	
75	East Greenwich Township	Gloucester	
76	East Hanover Township	Morris	
77	East Newark Borough	Hudson	YES
78	East Orange City	Essex	YES
79	East Rutherford Borough	Bergen	
80	East Windsor Township	Mercer	
81	Eastampton Township	Burlington	
82	Eatontown Borough	Monmouth	
83	Edgewater Borough	Bergen	YES
84	Edgewater Park Township	Burlington	

5/5/2020

2 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
85	Edison Township	Middlesex	
86	Egg Harbor City	Atlantic	
87	Elizabeth City	Union	YES
88	Elk Township	Gloucester	
89	Elmwood Park Borough	Bergen	YES
90	Elsinboro Township	Salem	
91	Emerson Borough	Bergen	
92	Englewood City	Bergen	
93	Englewood Cliffs Borough	Bergen	
94	Englishtown Borough	Monmouth	
95	Essex Fells Township	Essex	
96	Estell Manor City	Atlantic	
97	Evesham Township	Burlington	
98	Ewing Township	Mercer	
99	Fair Haven Borough	Monmouth	
100	Fair Lawn Borough	Bergen	
101	Fairfield Township	Essex	
102	Fairview Borough	Bergen	YES
103	Fanwood Borough	Union	
104	Far Hills Borough	Somerset	
105	Farmingdale Borough	Monmouth	
106	Fieldsboro Borough	Burlington	
107	Florence Township	Burlington	
108	Florham Park Borough	Morris	
109	Fort Lee Borough	Bergen	YES
110	Franklin Lakes Borough	Bergen	
111	Franklin Township	Gloucester	
112	Franklin Township	Somerset	
113	Freehold Borough	Monmouth	YES
114	Freehold Township	Monmouth	
115	Garfield City	Bergen	YES
116	Garwood Borough	Union	
117	Glassboro Borough	Gloucester	
118	Glen Ridge Borough	Essex	
119	Glen Rock Borough	Bergen	
120	Gloucester City	Camden	
121	Gloucester Township	Camden	
122	Green Brook Township	Somerset	
123	Greenwich Township	Cumberland	
124	Greenwich Township	Gloucester	
125	Guttenberg Town	Hudson	YES
126	Hackensack City	Bergen	YES

5/5/2020

3 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
127	Haddon Heights Borough	Camden	
128	Haddon Township	Camden	
129	Haddonfield Borough	Camden	
130	Hainesport Township	Burlington	
131	Haledon Borough	Passaic	YES
132	Hamilton Township	Atlantic	YES
133	Hamilton Township	Mercer	
134	Hanover Township	Morris	
135	Harding Township	Morris	
136	Harrington Park Borough	Bergen	
137	Harrison Town	Hudson	YES
138	Harrison Township	Gloucester	
139	Hasbrouck Heights Borough	Bergen	YES
140	Haworth Borough	Bergen	
141	Hawthorne Borough	Passaic	
142	Hazlet Township	Monmouth	
143	Helmetta Borough	Middlesex	
144	Highland Park Borough	Middlesex	YES
145	Highlands Borough	Monmouth	
146	Hightstown Borough	Middlesex	
147	Hillsborough Township	Somerset	
148	Hillsdale Borough	Bergen	
149	Hillside Township	Union	YES
150	Hoboken City	Hudson	YES
151	Ho-Ho-Kus Borough	Bergen	
152	Holmdel Township	Monmouth	
153	Hopewell Borough	Mercer	
154	Hopewell Township	Cumberland	
155	Hopewell Township	Mercer	
156	Howell Township	Monmouth	
157	Interlaken Borough	Monmouth	
158	Irvington Township	Essex	YES
159	Island Heights Borough	Ocean	
160	Jackson Township	Ocean	
161	Jamesburg Borough	Middlesex	YES
162	Jefferson Township	Morris	
163	Jersey City	Hudson	YES
164	Keansburg Borough	Monmouth	YES
165	Kearny Town	Hudson	
166	Kenilworth Borough	Union	
167	Keyport Borough	Monmouth	
168	Lake Como Borough	Monmouth	YES

5/5/2020

4 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
169	Lakehurst Borough	Ocean	
170	Lakewood Township	Ocean	
171	Lawnside Borough	Camden	
172	Lawrence Township	Mercer	
173	Leonia Borough	Bergen	
174	Lincoln Park Borough	Morris	
175	Linden City	Union	
176	Little Falls Township	Passaic	
177	Little Ferry Borough	Bergen	
178	Little Silver Borough	Monmouth	
179	Livingston Township	Essex	
180	Loch Arbour Village	Monmouth	
181	Lodi Borough	Bergen	YES
182	Long Branch City	Monmouth	
183	Long Hill Township	Morris	
184	Lower Alloways Creek Township	Salem	
185	Lumberton Township	Burlington	
186	Lyndhurst Township	Bergen	
187	Madison Borough	Morris	
188	Mahwah Township	Bergen	
189	Manalapan Township	Monmouth	
190	Manasquan Borough	Monmouth	
191	Manchester Township	Ocean	
192	Mannington Township	Salem	
193	Mansfield Township	Burlington	
194	Mantoloking Borough	Ocean	
195	Mantua Township	Gloucester	
196	Manville Borough	Somerset	
197	Maple Shade Township	Burlington	
198	Maplewood Township	Essex	
199	Marlboro Township	Monmouth	
200	Matawan Borough	Monmouth	
201	Maywood Borough	Bergen	YES
202	Medford Lakes Borough	Burlington	
203	Medford Township	Burlington	
204	Mendham Borough	Morris	
205	Mendham Township	Morris	
206	Merchantville Borough	Camden	
207	Middle Township	Cape May	YES
208	Middlesex Borough	Middlesex	
209	Middletown Township	Monmouth	
210	Midland Park Borough	Bergen	

5/5/2020

5 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
211	Millburn Township	Essex	
212	Millstone Township	Monmouth	
213	Milltown Borough	Middlesex	
214	Mine Hill Township	Morris	
215	Monmouth Beach Borough	Monmouth	
216	Monroe Township	Gloucester	
217	Monroe Township	Middlesex	
218	Montclair Township	Essex	
219	Montgomery Township	Somerset	
220	Montvale Borough	Bergen	
221	Montville Township	Morris	
222	Moonachie Borough	Bergen	
223	Morris Plains Borough	Morris	
224	Morris Township	Morris	
225	Morristown Town	Morris	YES
226	Mount Ephraim Borough	Camden	
227	Mount Holly Township	Burlington	YES
228	Mount Laurel Township	Burlington	
229	Mount Olive Township	Morris	
230	Mountain Lakes Borough	Morris	
231	Mountainside Borough	Union	
232	National Park Borough	Gloucester	
233	Neptune City Borough	Monmouth	
234	Neptune Township	Monmouth	
235	New Brunswick City	Middlesex	YES
236	New Hanover Township	Burlington	
237	New Milford Borough	Bergen	
238	New Providence Borough	Union	
239	Newark City	Essex	YES
240	North Arlington Borough	Bergen	
241	North Bergen Township	Hudson	YES
242	North Brunswick Township	Middlesex	
243	North Caldwell Borough	Essex	
244	North Haledon Borough	Passaic	
245	North Hanover Township	Burlington	
246	North Plainfield Borough	Somerset	YES
247	Northvale Borough	Bergen	
248	Norwood Borough	Bergen	
249	Nutley Township	Essex	YES
250	Oakland Borough	Bergen	
251	Oaklyn Borough	Camden	
252	Ocean Township	Monmouth	

5/5/2020

6 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
253	Oceanport Borough	Monmouth	
254	Old Bridge Township	Middlesex	
255	Old Tappan Borough	Bergen	
256	Oradell Borough	Bergen	
257	Orange City	Essex	YES
258	Palisades Park Borough	Bergen	YES
259	Paramus Borough	Bergen	
260	Park Ridge Borough	Bergen	
261	Parsippany-Troy Hills Township	Morris	
262	Passaic City	Passaic	YES
263	Paterson City	Passaic	YES
264	Paulsboro Borough	Gloucester	
265	Peapack & Gladstone Borough	Somerset	
266	Pemberton Township	Burlington	
267	Pennington Borough	Mercer	
268	Pennsauken Township	Camden	
269	Perth Amboy City	Middlesex	YES
270	Pine Beach Borough	Ocean	
271	Pine Hill Borough	Camden	
272	Piscataway Township	Middlesex	
273	Pitman Borough	Gloucester	
274	Plainfield City	Union	YES
275	Plainsboro Township	Middlesex	
276	Pleasantville City	Atlantic	
277	Point Pleasant Beach Borough	Ocean	
278	Point Pleasant Borough	Ocean	
279	Princeton Borough *	Mercer	YES
280	Princeton Township*	Mercer	
281	Prospect Park Borough	Passaic	YES
282	Quinton Township	Salem	
283	Rahway City	Union	
284	Ramsey Borough	Bergen	
285	Randolph Township	Morris	
286	Raritan Borough	Somerset	
287	Readington Township	Hunterdon	
288	Red Bank Borough	Monmouth	
289	Ridgefield Borough	Bergen	
290	Ridgefield Park Village	Bergen	YES
291	Ridgewood Village	Bergen	
292	River Edge Borough	Bergen	
293	River Vale Township	Bergen	
294	Riverside Township	Burlington	

5/5/2020

7 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
295	Robbinsville Township	Mercer	
296	Rochelle Park Township	Bergen	
297	Rockaway Borough	Morris	
298	Rockaway Township	Morris	
299	Rockleigh Borough	Bergen	
300	Rocky Hill Borough	Somerset	
301	Roosevelt Borough	Monmouth	
302	Roseland Borough	Essex	
303	Roselle Borough	Union	YES
304	Roselle Park Borough	Union	YES
305	Roxbury Township	Morris	
306	Rumson Borough	Monmouth	
307	Runnemede Borough	Camden	
308	Rutherford Borough	Bergen	
309	Saddle Brook Township	Bergen	
310	Saddle River Borough	Bergen	
311	Salem City	Salem	YES
312	Sayreville Borough	Middlesex	
313	Scotch Plains Township	Union	
314	Sea Bright Borough	Monmouth	
315	Sea Girt Borough	Monmouth	
316	Seaside Heights Borough	Ocean	
317	Secaucus Town	Hudson	
318	Shamong Township	Burlington	
319	Shiloh Borough	Cumberland	
320	Shrewsbury Borough	Monmouth	YES
321	Shrewsbury Township	Monmouth	
322	Somerville Borough	Somerset	YES
323	South Amboy City	Middlesex	
324	South Bound Brook Borough	Somerset	
325	South Brunswick Township	Middlesex	
326	South Hackensack Township	Bergen	
327	South Orange Village Township	Essex	
328	South Plainfield Borough	Middlesex	
329	South Toms River Borough	Ocean	
330	Southampton Township	Burlington	
331	Spotswood Borough	Middlesex	
332	Spring Lake Borough	Monmouth	
333	Spring Lake Heights Borough	Monmouth	
334	Springfield Township	Burlington	
335	Springfield Township	Union	
336	Stow Creek Township	Cumberland	

5/5/2020

8 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
337	Summit City	Union	
338	Tabernacle Township	Burlington	
339	Tavistock Borough	Camden	
340	Teaneck Township	Bergen	
341	Tenafly Borough	Bergen	
342	Teterboro Borough	Bergen	
343	Tinton Falls Borough	Monmouth	
344	Toms River Township	Ocean	YES
345	Totowa Borough	Passaic	YES
346	Trenton City	Mercer	
347	Union Beach Borough	Monmouth	
348	Union City	Hudson	YES
349	Union Township	Union	
350	Upper Deerfield Township	Cumberland	
351	Upper Freehold Township	Monmouth	
352	Upper Saddle River Borough	Bergen	
353	Verona Township	Essex	
354	Victory Gardens Borough	Morris	YES
355	Vineland City	Cumberland	
356	Voorhees Township	Camden	
357	Waldwick Borough	Bergen	
358	Wall Township	Monmouth	
359	Wallington Borough	Bergen	YES
360	Warren Township	Somerset	
361	Washington Township	Bergen	
362	Washington Township	Gloucester	
363	Washington Township	Morris	
364	Watchung Borough	Somerset	
365	Waterford Township	Camden	
366	Wayne Township	Passaic	
367	Weehawken Township	Hudson	YES
368	West Amwell Township	Hunterdon	
369	West Caldwell Township	Essex	
370	West Deptford Township	Gloucester	
371	West Long Branch Borough	Monmouth	
372	West New York Town	Hudson	YES
373	West Orange Township	Essex	
374	West Windsor Township	Mercer	
375	Westampton Township	Burlington	
376	Westfield Town	Union	
377	Westwood Borough	Bergen	
378	Weymouth Township	Atlantic	

5/5/2020

9 of 10

Attachment 2
Verizon System-Wide Municipalities
CE13080756

#	Municipality	County	Verizon NJSA48:5A-25.2
379	Wharton Borough	Morris	
380	Willingboro Township	Burlington	
381	Winfield Township	Union	YES
382	Winslow Township	Camden	
383	Woodbridge Township	Middlesex	
384	Woodbury City	Gloucester	YES
385	Woodbury Heights Borough	Gloucester	
386	Woodcliff Lake Borough	Bergen	
387	Woodland Park Borough	Passaic	
388	Woodland Township	Burlington	
389	Woodlynne Borough	Camden	YES
390	Wood-Ridge Borough	Bergen	
391	Wrightstown Borough	Burlington	
392	Wyckoff Township	Bergen	

* Princeton Borough and Princeton Township merged

ATTACHMENT 3

Order, In the Matter of the Application of Verizon of New Jersey, Inc. for Renewal of a System-Wide Cable Television Franchise, BPU Docket No. CE13080756 (January 29, 2014)



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 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 "1".

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.

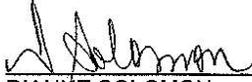
This Renewal System-wide Cable Television Franchise is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and be enforceable unless specific waiver is granted by the Board or the Office of Cable 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.

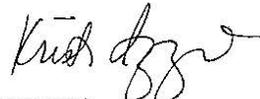
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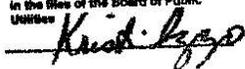
BOARD OF PUBLIC UTILITIES
BY:


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

	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