



Agenda Date: 6/8/22
Agenda Item: IIIA

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF COMCAST OF)
NEW JERSEY II, LLC FOR A RENEWAL CERTIFICATE)
OF APPROVAL TO CONTINUE TO CONSTRUCT,)
OPERATE AND MAINTAIN A CABLE TELEVISION)
SYSTEM IN AND FOR THE CITY OF EAST ORANGE,)
COUNTY OF ESSEX, STATE OF NEW JERSEY)

RENEWAL CERTIFICATE OF APPROVAL

DOCKET NO. CE21081058

Parties of Record:

Dennis C. Linken, Esq., Scarinci Hollenbeck, LLC, on behalf of Comcast of New Jersey II, LLC
Cynthia Brown, Clerk, City of East Orange, New Jersey

BY THE BOARD:

On April 28, 1977, the New Jersey Board of Public Utilities (“Board”) granted Suburban Cablevision (“Suburban”), a Certificate of Approval, in Docket No. 763C-6153, for the construction, operation and maintenance of a cable television system in the City of East Orange (“City”). On November 30, 1994, the Board approved the acquisition of the shares of Suburban’s parent company, Maclean Hunter, Inc., by Comcast MH Holdings, Inc. in Docket No. CM94080365. The Company was then known as Comcast Cablevision of New Jersey, Inc. (“Comcast”). On September 18, 1997, the Board granted Comcast an Order Adopting Initial Decision Settlement and Renewal Certificate of Approval (“Renewal Certificate”) for the City in Docket No. CE92060637. Through a series of subsequent transfers, with the required Board approvals, the current holder of the Certificate is Comcast Cablevision of New Jersey II, LLC (“Petitioner”). On June 22, 2005, the Board issued a Renewal Certificate to the Petitioner for the City, in Docket No. CE05030298.¹ Although by its terms the Petitioner’s above referenced

¹ Thereafter, the parties entered into an agreement to revise the adopted ordinance and on February 2, 2006, the Board issued an Order of Amendment to a Renewal Certificate of Approval in Docket No. CE05121067. The order approved the ordinance provision which required a local payment office be located in the City and did not affect any other provisions of the Renewal Certificate of Approval.

Certificate expired on April 28, 2017, which was the term specified by the City, the Petitioner is authorized to continue to provide cable television service to the City pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the City on July 25, 2016, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 to 9. On May 24, 2021, the City, after public hearing, adopted an ordinance granting renewal municipal consent to the Petitioner ("Ordinance"). The Petitioner formally accepted the terms and conditions of the ordinance on June 16, 2021. On August 11, 2021, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate for the City.

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

1. The Petitioner possesses the requisite legal, character, financial, and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by the City in conjunction with the municipal consent process.
2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate, and proper service.
3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
4. The franchise period is 10 years and shall expire on December 31, 2027, as stated in the ordinance, pursuant to N.J.S.A. 48:5A-19 and 25. The Board finds this franchise period reasonable.
5. The City has reserved the right to review the Petitioner's performance with regard to the ordinance. In the event that the City shall find that the Petitioner has not substantially complied with the material terms and conditions of the ordinance, the City shall have the right to petition the Board for appropriate administrative action, pursuant to N.J.S.A. 48:5A-47, provided, however, that the City shall first have given the Petitioner written notice of all alleged instances of non-compliance and an opportunity to cure the same within 90 days of that notification. If, after such reasonable notice and opportunity to cure, the Petitioner has not cured any such findings of non-compliance, the City may petition the Board for appropriate administrative action, including modification and/or termination of the Certificate of Approval.
6. The Petitioner shall provide service to any residence or business along any public right-of-way in the Primary Service Area as set forth in the application and the map filed with the Petition, at no cost beyond standard and non-standard installation charges as set forth in the Petitioner's application. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I") for any extension outside of the Primary Service Area. The minimum homes per mile ("HPM") figure is 35.
7. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.

8. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the City. In this case, it is the Office of Cable Television and Telecommunications. All complaints shall be received and processed in accordance with any applicable rules.
9. During the term of this franchise, and any renewal thereof, the Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating, and resolving complaints regarding the quality of service, equipment malfunctions, and similar matters. Such business office shall be located no more than 10 square miles outside of the City and as stipulated by the ordinance. The Petitioner currently maintains local offices located at: 2345 US Highway 22, Union, New Jersey.
10. The franchise fee to be paid to the City is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the City. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
11. The Petitioner shall provide public, educational, and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall continue to provide residents with a system-wide public access channel maintained by the Petitioner. Qualified individuals and organizations may utilize public access for the purpose of cablecasting non-commercial access programming in conformance with the Petitioner's published access rules. The Petitioner shall continue to provide two (2) dedicated local access and one (1) educational access channels maintained by the Petitioner for the purpose of cablecasting non-commercial access programming.
12. Within six (6) months of issuance of the Certificate, the Petitioner shall make the City's two (2) PEG local access channels viewable to all Comcast subscribers in the City, including residential and business customers in the Ampere section of the City, on the basic level of service offered by the Company.
13. Within six (6) months of issuance of this Certificate, the Petitioner shall provide to the City a one-time technology grant of \$150,000 for equipment, facilities and/or cable related needs of the community. Upon completion, the Petitioner shall submit proof to the Office of Cable Television and Telecommunications indicating its compliance with this provision.
14. The Petitioner shall provide grants in the amount of \$6,000 in annual installments for the term of the 10 year franchise, due on April 1 of each year, to be used for the purpose of supporting community related activities as required by the ordinance. Upon satisfaction of each payment, the Petitioner shall submit proof to the Office of Cable Television and Telecommunications indicating its compliance with this provision.
15. The Petitioner shall provide standard installation and basic cable television service, on one (1) outlet, free of charge, to each qualified existing and future school in the

City, public and private, elementary, intermediate and secondary. In order to qualify for free installation, the school must be located within 200 feet of active cable distribution plant. Each additional outlet installed, if any, shall be paid for on a materials plus labor basis by the school requesting service. Monthly service charges shall be waived on all additional outlets except for equipment.

16. The Petitioner shall provide standard installation and basic cable television service, on one (1) outlet, free of charge, to all City existing and future municipal facilities including but not limited to City Hall building; each Police, Fire, Emergency Management and First Aid Squad Facilities, Public Libraries, Senior Citizens Centers and City Community Center(s) located in the City. To qualify for free installation, the facility must be located within 200 feet of active cable distribution plant. The City shall pay for each additional outlet installed to any of the above facilities on a materials plus labor basis. Monthly service charges shall be waived on all additional outlets except for equipment.
17. The Petitioner shall provide basic Internet service via high-speed cable modem to one (1) non-networked personal computer in each qualified existing and future public library and school in the City, public and private, elementary, intermediate and secondary, at no charge, provided that each facility is within 200 feet of active cable distribution plant. The Internet service shall be installed on a personal computer that is accessible to the students or patrons and shall not be used for administrative purposes only.

Based upon these findings, the Board HEREBY CONCLUDES, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), that the Petitioner has the municipal consent necessary to support the petition, subject to the exception noted above; that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 to 64; that the Petitioner has complied or is ready, willing, and able to comply with all applicable rules and regulations imposed by or pursuant to State and federal law as preconditions for engaging in the proposed cable television operations; that the Petitioner has sufficient financial and technical capacity, and meets the legal, character, and other qualifications necessary to construct, maintain, and operate the necessary installations, lines, and equipment; and that the Petitioner is capable of providing the proposed service in a safe, adequate, and proper manner.

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

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television and Telecommunications, and any such lawful terms, conditions, and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. § 76.1 et seq., including, but not limited to, the technical standards 47 C.F.R. § 76.601 through § 76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

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

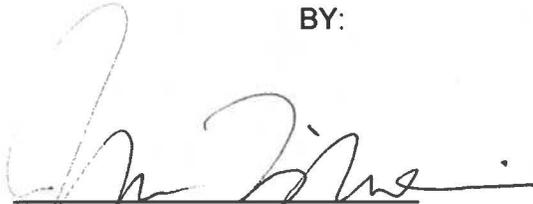
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and be enforceable unless specific waiver is granted by the Office of Cable Television and Telecommunications pursuant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

This Certificate shall expire on December 31, 2027

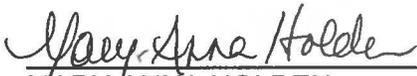
This Order shall be effective on June 15, 2022.

DATED: June 8, 2022

BOARD OF PUBLIC UTILITIES
BY:



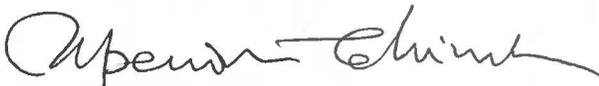
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



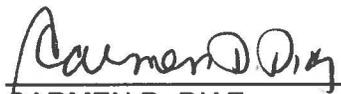
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 

CARMEN D. DIAZ
ACTING SECRETARY

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

Company: Comcast of New Jersey II, LLC
Municipality: City of East Orange, County of Essex

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension, the cost is adjusted and those who previously paid receive an appropriate rebate.

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

In any case, the company shall extend its plant along public rights of way to:

1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's breakeven point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

1. Provide a written estimate within thirty (30) days of such a request.
2. Begin construction within sixty (60) days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six (6) months of receipt of any deposit monies from potential subscribers.
4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

1. If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers, and any appropriate adjustments.
3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
4. Once an individual dwelling has paid its share of the extension cost, future reconnections or installations shall be made at the company's standard rates.
5. After a period of five (5) years from the installation of the first dwelling unit in the extension, no further adjustments shall be made. Installations after five (5) years shall be at the company's standard rate.
6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

Definitions

Primary Service Area

The Primary Service Area ("PSA") can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

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COUNTY OF ESSEX, STATE OF NEW JERSEY

DOCKET NO. CE21081058

SERVICE LIST

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