

Agenda Date: 9/25/24 Agenda Item: IIID

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

> OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF SPECTRUM NEW JERSEY, LLC, AN INDIRECT SUBSIDIARY OF CHARTER COMMUNICATIONS, INC., FOR A RENEWAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE BOROUGH OF EDGEWATER, COUNTY OF BERGEN, STATE OF NEW JERSEY RENEWAL CERTIFICATE OF APPROVAL

DOCKET NO. CE23050293

# Parties of Record:

**Stan Barrett**, **Esq.**, Scarinci Hollenbeck, LLC, on behalf of Spectrum New Jersey, LLC, an Indirect Subsidiary of Charter Communications, Inc. **Stephanie Evans, Clerk,** Borough of Edgewater, New Jersey

BY THE BOARD:

On August 24, 1979, the New Jersey Board of Public Utilities ("Board") granted Vision Cable Television Company ("Vision") a Certificate of Approval ("Certificate") in Docket No. 796C-6497 for the construction, operation and maintenance of a cable television system in the Borough of Edgewater ("Borough"). On September 14, 1994, the Board granted Vision a Renewal Certificate of Approval ("Renewal Certificate") for the Borough in Docket No. CE93100441. On March 13, 1995, the Board approved the transfer of the Renewal Certificate from Vision to Time Warner Entertainment-Advance/Newhouse Partnership ("TWEAN"), in Docket No. CM94110531. The Board subsequently approved a transfer of the Certificate from TWEAN to TWFanch-One, Co. d/b/a Time Warner Cable of New York and New Jersey ("TWFanch"). On December 17, 2009, the Board authorized the transfer of the Certificate of the Borough to Time Warner Entertainment Company, L.P. ("Time Warner"), in Docket No. CE09080652. Through a series of subsequent transfers with the required Board approvals, Time Warner Cable New York City, LLC ("TWCNYC") I/k/a Charter Communications, Inc. ("Charter") was the holder of the Certificate at the time the application for the renewal of its municipal consent was filed with the Borough.<sup>1</sup> On

<sup>&</sup>lt;sup>1</sup> In Docket No. CM12030252, the Board approved the asset transfer of Time Warner to TWCNYC. In Docket No. CM15070770, the Board approved the transfer of the equity interests of TWCNYC to Charter.

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October 14, 2020, the Board approved the internal reorganization of Charter and Spectrum New York Metro, LLC, f/k/a TWCNYC and the transfer of Charter's New Jersey cable assets and franchises into a newly created subsidiary, Spectrum New Jersey, LLC ("Petitioner") in Docket No. CO20090598. Although, by its terms, the Petitioner's above referenced Certificate expired on August 24, 2019, the Petitioner is authorized to continue to provide cable television service to the Borough pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on October 10, 2018, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 to 9. On November 16, 2020, the Borough, 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 February 17, 2021. On May 17, 2023, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate for the Borough. On February 12, 2024, the Borough adopted an Ordinance amending municipal consent to the Petitioner ("Amended Ordinance"). On March 20, 2024, the Petitioner formally accepted the Amended Ordinance.

## DISCUSSION AND FINDINGS

The Board has reviewed the application for municipal consent, the Ordinance, the Amended Ordinance, and the petition for a Renewal Certificate. Based upon this review and the recommendation of the Office of Cable Television and Telecommunications, the Board <u>HEREBY</u> FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial, and technical qualifications for the awarding of a Certificate. Further, these qualifications were reviewed by the Borough in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate, and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the Ordinance and Amended Ordinance is fifteen (15) years, pursuant to N.J.S.A. 48:5A-19 and 25. The Board finds this franchise period reasonable.
- 5. The Petitioner shall proffer service along any public right-of-way to any person's residence or business located in all areas of the franchise territory, at no cost beyond standard and non-standard installation charges, as set forth in the Petitioner's application. Any additional extension of the system shall be made in accordance with the Petitioner's Line Extension Policy attached to the Certificate (Appendix "I") with a homes per mile ("HPM") figure of twenty-five (25).
- 6. The Petitioner shall maintain an informational schedule of prices, terms and conditions for unregulated service, and promptly file any revisions thereto.
- 7. Pursuant to statutory requirements, the Ordinance and Amended Ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the

Borough. 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.

- 8. 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. The Petitioner currently maintains a local office located at 2040 Lemoine Avenue, Fort Lee, New Jersey.
- 9. Pursuant to N.J.S.A. 48:5A-30, the franchise fee to be paid to the Borough is specified to be three-and-one-half percent (3.5%) of the Petitioner's gross revenues, as defined in N.J.S.A. 48:5A-3(x), derived from cable television charges or fees paid by subscribers for its cable television service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed two percent (2%) of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall provide public, educational, and governmental ("PEG") access channels and facilities in accordance with its renewal application. Specifically the Petitioner provides PEG access programming on two (2) channels, which are shared with other communities in the Charter Bergen system. The Petitioner shall provide the Borough with use of a studio. Currently the studio is located at 200 Roosevelt Pl., Palisades Park, New Jersey.

The Board notes that the Borough's Ordinance and Amended Ordinance omitted a provision to incorporate the terms of the Petitioner's application into the Ordinance and Amended Ordinance pursuant to N.J.A.C. 14:18-11.16 and N.J.S.A. 48:5A-24. By reference herein, this Renewal Certificate incorporates all of the terms and conditions of the application for renewal of municipal consent, as presented to the Borough by the Petitioner, as if the application was attached in its entirety. Therefore, the Board <u>HEREBY</u> <u>CLARIFIES</u> that the missing provision is included in the order.

Based upon these findings, the Board <u>HEREBY</u> <u>CONCLUDES</u>, 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 <u>HEREBY ISSUED</u> this Renewal Certificate as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

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

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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.

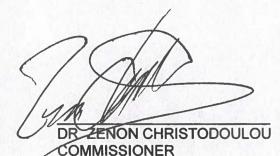
This Certificate shall expire on August 24, 2034.

This Order shall be effective on October 2, 2024.

DATED: September 25, 2024

BOARD OF PUBLIC UTILITIES BY:

WHRISTINE GUHL-SADOVY PRESIDENT



COMMISSIONER

MICHAEL BANGE

COMMISSIONER

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ATTEST:

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

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## **APPENDIX "I"**

## LINE EXTENSION POLICY

### SPECTRUM NEW JERSEY, LLC

### BOROUGH OF EDGEWATER

Spectrum New Jersey, LLC shall be required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system, as detailed herein below. Actual subscribers served by the extension are required to absorb the remainder of the cost, as also detailed herein below.

If new subscribers are added within two years to the area served by an extension, the cost shall be adjusted by recomputing step 5 below and those who previously paid a portion of the cost of the extension shall receive an appropriate rebate (provided, however, that no such rebate shall exceed the subscriber's contribution).

The following will be utilized to determine the respective costs to be borne by Spectrum and potential subscribers in connection with a proposed extension of plant:

A If the average density of homes per mile ("HPM") (measured within 150 feet of the existing public right-of-way, if the area is to be served aerially, or 100 feet if the area is to be served underground) to be passed by the proposed extension is 25 or more, Spectrum will build the extension at its full cost.

B If the average density HPM is less than 25, the cost of the extension will be shared in accordance with the following formula:

<ol> <li><u># homes in extension</u> mileage of extension</li> </ol>	=	homes per mile (HPM) of extension
2. <u>HPM of extension</u> Minimum HPM that company constructs in the system (i.e., 25)	=	ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
<ol> <li>Total cost of building the extension times "A"</li> </ol>	=	Charter's share of extension cost
<ol> <li>Total cost of building extension less Charter's share of extension cost</li> </ol>	=	total amount to be recovered from subscribers
<ol> <li>Total amount to be recovered from subs Total subscribers in extension</li> </ol>	=	each subscriber's share

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