



Agenda Date: 3/9/11  
Agenda Item: IIIQ

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
Two Gateway Center, Suite 801  
Newark, NJ 07102  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CABLE TELEVISION

IN THE MATTER OF COMCAST OF SOUTH JERSEY, )  
LLC (FRANKLINVILLE NORTH) FOR APPROVAL OF )  
THE FILING OF FCC FORM 1240, AN ANNUAL )  
UPDATING OF THE MAXIMUM PERMITTED RATE FOR )  
REGULATED BASIC SERVICE USING THE OPTIONAL )  
EXPEDITED RATE PROCEDURES )

ORDER ADOPTING  
STIPULATION OF FINAL  
RATES

DOCKET NO. CR10100731

Joseph C. Lance, Senior Director, Eastern Division, Comcast Cable Communications, Inc., Oaks, Pennsylvania for Petitioner

BY THE BOARD:

On October 1, 2010, Comcast of South Jersey, LLC (Franklinville North) ("Petitioner") filed Federal Communications Commission ("FCC") Form 1240, which was subsequently assigned Docket Number CR10100731, seeking approval by the Board of Public Utilities ("Board") for an annual rate adjustment in its maximum permitted rate resulting from an adjustment for inflation, programming costs and copyright fees pursuant to the Cable Television Consumer Protection and Competition Act of 1992, 47 U.S.C. § 543 et seq., and provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq.

The Board, at its public meeting on January 10, 1996, in Docket Number CX95120636, approved the implementation of Optional Expedited Rate Procedures for the processing of certain filings made with the Office of Cable Television. The intended purpose of these procedures is to grant final rates as quickly as possible to any cable company that chooses this process. In the spirit of cooperation based on the principles of Alternate Dispute Resolution, the discovery content is limited, thereby reducing the timeframe for settlement.

Petitioner chose to pursue its filing with the Board through the approved procedures. To that end, a pre-transmittal conference was held on November 4, 2010, and attended by representatives of the Petitioner, Division of Rate Counsel ("Rate Counsel") and Board Staff (collectively "the Parties"). The Petitioner agreed to waive its Office of Administrative Law ("OAL") litigation rights for this matter. It should be noted that the Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the FCC rules nor did it affect Petitioner's right to appeal in that forum.

The Petitioner notified its customers of the rate increase by way of a newspaper announcement informing them of their opportunity to submit written comments to the Board for a period of thirty days. The notice appeared in the Gloucester County Times on October 29, 2010. No comments or resolutions were received as a result of this public notice.

After review by Staff and Rate Counsel of the supporting documentation, schedules and other discovery requests, a settlement conference was held on November 12, 2010. On December 13, 2010, the Parties entered into a Stipulation of Final Rates.

The Board has reviewed the Stipulation of Final Rates and FINDS it to be reasonable, in the public interest and in accordance with the law. Therefore, the Board HEREBY ADOPTS the Stipulation of Final Rates (attached hereto) as its own, incorporating by reference the terms and conditions therein as if fully set forth at length herein.

The Board FURTHER ORDERS that, subject to the ongoing review before the FCC, should any of these cable systems, or any part thereof, merge or migrate to another system, be upgraded or rebuilt, or its ownership or control be otherwise sold or transferred to another entity, then the basic service tier rate that will be eliminated or superseded as a result of the merger, migration, upgrade, rebuild, sale or transfer must be "trued up" [47 C.F.R. § 76.922 (e) (3)]. The final true up for the affected systems, or any parts thereof, should be calculated on FCC Form 1240 and begin where the last true up period ended on its prior FCC Form 1240. This true up calculation should be filed with the Board when all the affected subscribers are being charged the rate resulting from the merger, migration, upgrade, rebuild, sale or transfer and may be filed in conjunction with the annual rate adjustment cycle (Form 1240) established as a result of said merger, migration, upgrade, rebuild, sale or transfer.

The cable systems, or any part thereof, may be subsequently deregulated as a result of a finding by the Board, the FCC or other party of competent jurisdiction that these systems, or any portion thereof, are subject to effective competition. Should that occur, the last basic service rate established as a result of a prior FCC Form 1240, or such subsequent rate calculation method as may be heretofore adopted by the Board, the FCC or any other party of competent jurisdiction, prior to the deregulation of any rate that is now or may in the future be subject to the Board's jurisdiction, must be trued up for the period of time that the affected rates were subject to regulation by the Board.

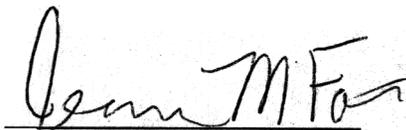
The above referenced true up procedure does not exclude any cable system party to this Order.

DATED: 3/9/11

BOARD OF PUBLIC UTILITIES  
BY:



LEE A. SOLOMON  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



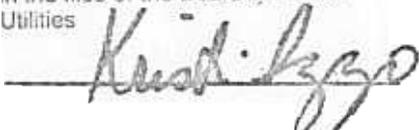
JOSEPH L. FIORDALISO  
COMMISSIONER



NICHOLAS ASSELTA  
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  
COMCAST OF SOUTH JERSEY, LLC  
(FRANKLINVILLE NORTH)  
FCC FORM 1240 USING THE  
OPTIONAL EXPEDITED RATE PROCEDURES

DOCKET NUMBER: CR10100731

Joseph C. Lance  
Senior Director, Eastern Division  
Comcast Cable Communications, Inc.  
200 Cresson Boulevard  
Oaks, PA.19456

Celeste M Fasone  
Director  
Gloria Furlong  
Supervising Administrative Analyst  
Richard Stephan  
Administrative Analyst 2, Accounting  
Office of Cable Television  
Two Gateway Center, Suite 801  
Newark, NJ 07102

Jose Rivera-Benitez, Esq.  
Assistant Deputy Rate Counsel  
Maria Novas-Ruiz, Esq.  
Assistant Deputy Rate Counsel  
State of New Jersey  
Division of the Rate Counsel  
31 Clinton Street - 11th Floor  
Newark, NJ 07102

Andrea Crane  
The Columbia Group  
P.O. Box 810  
Georgetown, CT 06829

Alex Moreau, Esq.  
Deputy Attorney General  
Division of Law  
124 Halsey Street  
Newark, NJ 07101

IN THE MATTER OF COMCAST OF	)	<u>CABLE TELEVISION</u>
SOUTH JERSEY, LLC'S	)	
(FRANKLINVILLE NORTH) FILING	)	
OF FCC FORM 1240, AN ANNUAL	)	STATE OF NEW JERSEY
UPDATING OF THE MAXIMUM	)	BOARD OF PUBLIC UTILITIES
PERMITTED RATE FOR REGULATED	)	
CABLE SERVICES USING THE	)	
OPTIONAL EXPEDITED RATE	)	
PROCEDURES	)	BPU DOCKET NUMBER: CR10100731

STIPULATION OF FINAL RATES

The undersigned parties, as a result of a review of the Federal Communications Commission ("FCC") Form 1240 and timely filed public comments in this matter hereby stipulate to the following findings of fact and conclusions of law for consideration by the Board of Public Utilities ("Board"); and,

As part of the Optional Expedited Rate Procedures (Approved January 12, 1996, Docket No. CX95120636), Comcast of South Jersey, LLC (Franklinville North) ("Petitioner") agreed to waive the Company's litigation rights at the Office of Administrative Law ("OAL") in this proceeding. It should be noted that Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the FCC rules nor did it affect the Company's right to appeal in that forum.

WHEREAS, the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992), codified at 47 U.S.C. § 543 et seq., (the "Federal Act"), classified the delivery of cable television services into two separate rate regulated categories: (i) "basic service" (consisting primarily of "off-the-air" and public, educational and governmental channels) and associated equipment and installation and (ii) cable programming services ("CPS") (consisting of other tiers of channels) and associated equipment; and

WHEREAS, under the Federal Act, basic service is regulated by the "franchising authority"; and

WHEREAS, under the provisions of the New Jersey Cable Television Act ("New Jersey Act"), N.J.S.A. 48:5A-1 et seq., the franchising authority is the Board; and

WHEREAS, the Federal Act required the FCC to issue regulations governing the standards to be used by franchising authorities in regulating basic service rates; and

WHEREAS, under the regulations adopted March 30, 1994, 47 C.F.R. § 76.900 et seq., a cable operator may adjust its rates by electing the annual rate adjustment system under the regulations adopted September 15, 1995 (47 C.F.R. § 76.922) by filing a Form 1240 and a Form 1205 on the same date; and

WHEREAS, on October 1, 2010, Petitioner, serving the Borough of Elmer and the Townships of Elk and Woolwich, filed a Form 1240, Docket Number CR10100731, with the Board seeking approval of inflation and external cost adjustments for a total increase in the Maximum Permitted Rate ("MPR") of 5.2% for the rate cycle of January 1, 2011 to December 31, 2011 for a rate increase from \$10.74 to \$11.30, exclusive of franchise fees, which would result in a total increase in the MPR for basic service of \$.56 per month. The Operator Selected Rate ("OSR") will be \$10.70 effective January 1, 2011 for the same rate cycle of January 1, 2011 to December 31, 2011. However, during this period, if Petitioner chooses to decrease the OSR, with proper notice to its subscribers and the Board, this decrease will not affect the established rate cycle; and

WHEREAS, the Board Staff ("Staff") and the Division of Rate Counsel ("Rate Counsel"), upon review of the FCC Form 1240, supporting documentation and schedules thereto agree that the proposed MPR and OSR rates are just and reasonable; and

WHEREAS, Staff, Rate Counsel and Petitioner have engaged in discussions of this matter; and

WHEREAS, Staff, Rate Counsel and Petitioner have concluded that the Company is entitled to the above-referenced adjustment which it seeks in its FCC Form 1240 filing;

NOW, THEREFORE, Staff, Rate Counsel and Petitioner hereby STIPULATE AS FOLLOWS:

1. Petitioner notified its customers of the proposed MPR rate increase via a newspaper announcement and has informed them of their opportunity to submit written comments for a period of thirty (30) days.
2. The effective date for the increase in the MPR for basic service due to inflation and external cost adjustments under Docket Number CR10100731 and the OSR is January 1, 2011.
3. The rate cycle established under Docket Number CR10100731 is January 1, 2011 to December 31, 2011.
4. On September 14, 2006, in Docket Nos. CR05090826 (Toms River-Rebuild), CR05090827 (Crestwood Village/Cedar Bonnet Island), CR05110935 (South Jersey/Vineland-Vineland) and CR05110937 (South Jersey/Vineland-Franklinville South) (hereinafter the "Toms River/South Jersey Matters"), the Board issued Orders adopting Stipulations of Settlement among the Parties therein (the "Toms River/South Jersey Stipulations"), which, among other things, addressed the cost of programming pertaining to CN8, a Comcast affiliated channel, to be reported on Worksheet 7 – Line 701 of the Form 1240. Specifically, the Toms River/South Jersey Stipulations provided that, for all "Comcast" affiliated rate districts in New Jersey, Line 701 on Worksheet 7 would be based upon rates of thirty-three cents (33¢), thirty-four cents (34¢) and thirty-five cents (35¢) per subscriber per month for CN8 (excluding the Form 1240's

permitted 7.5% markup), and that these rates would be frozen for specific true-up and projected periods listed for each rate district in Exhibit B to the Toms River/South Jersey Stipulations (hereinafter, the "CN8 Agreement"). For convenience, a copy of the Toms River/South Jersey Stipulations' Exhibit B is annexed hereto as Attachment 1. It was further agreed in the Toms River/South Jersey Stipulations that for the period during which the CN8 rates shall be frozen at the above rates, such rates shall be deemed not unreasonable and that documentation in support of such rates and/or discovery requests relating to such rates shall not be necessary. Accordingly, and pursuant to the CN8 Agreement, as set forth in the Toms River/South Jersey Matters, the cost of programming pertaining to CN8 in the instant matters has been calculated at the agreed upon rate per subscriber per month in Worksheet 7 – Line 701 of the Form 1240<sup>1</sup>. Comcast further agrees to include this paragraph in future Stipulations for all Comcast Form 1240 rate filings that include any true up or projected period subject to the CN8 rate freeze as indicated on Attachment 1.

5. The foregoing description of the CN8 Agreement is intended merely to summarize and in no way change the terms of the Agreement reached among the Parties and Approved by the Board with respect to the treatment of CN8 as set forth in the Toms River/South Jersey Matters.
6. In the event that a system listed in Attachment 1 changes its annual rate cycle, resulting in a concomitant change in the true-up and/or projected periods attributable to said system, the rate freeze periods set forth in Exhibit B to the Toms River/South Jersey Stipulations shall remain unchanged.
7. This stipulated rate increase shall be subject to the approval of the Board and all revenues collected as a result of this adjustment shall be subject to refund, pursuant to the rules and regulations of the FCC as well as those of the Board if the Board finds this rate increase to be unjustified in whole or in part or in any way implemented improperly.
8. This Stipulation of Settlement resolves all issues raised by this filing which are the subject of the within matter.
9. The signatories agree that, except as expressly provided herein, this Stipulation has been made exclusively for the purpose of this proceeding and that the Stipulation contained herein, in total or by specific items, is in no way binding upon the parties in other proceedings before the Board or in other forums or jurisdictions, nor are the contents of this Stipulation, in total or by specific items, by inference, inclusion, or deletion, in any way to be considered or used by another party as any indication of the position of any party hereto on any issue litigated or to be litigated in other proceedings.

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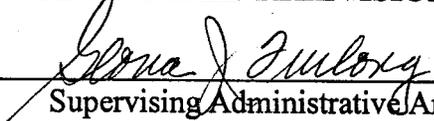
<sup>1</sup> Petitioner chose not to include any programming costs for CN8 in the projected period for this instant matter.

This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the parties expressly and jointly state that they would not have signed the agreement had any term been modified in any way. Each party is entitled to certain procedures in the event that any modification is made to the terms of this Stipulation. That is, each signatory party must be given the right to be placed in the position it was in before the Stipulation was entered. Therefore, if any modification is made to the terms of this Stipulation, it is essential that each party be given the option, before the implementation of any new rate resulting from this action, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached.

The parties believe these provisions are fair to all concerned and therefore, they are made an integral and essential element of this Stipulation. This being the case, all parties expressly agree to support the right of any other party to this Stipulation to enforce all terms and procedures detailed herein.

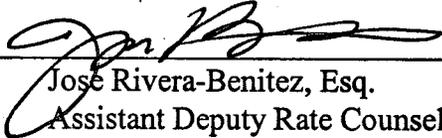
**GLORIA J. FURLONG  
OFFICE OF CABLE TELEVISION**

DATED: 12/13/10

By:   
Supervising Administrative Analyst

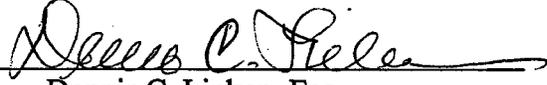
**DIVISION OF RATE COUNSEL  
STEFANIE A. BRAND, ESQ., DIRECTOR**

DATED: 14/13/10

By:   
Jose Rivera-Benitez, Esq.  
Assistant Deputy Rate Counsel

**COMCAST OF SOUTH JERSEY, LLC  
(FRANKLINVILLE NORTH)**

DATED: 12/7/10

By:   
Dennis C. Linken, Esq.  
Stryker, Tams & Dill

Case No.	Case Name	Case Type	Case Status	Case Date	Case Amount	Case Description	Case Location	Case Agent	Case Contact	Case Notes
October 1, 2004	Consent of Marianne County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Marianne County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Ocean County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Ocean County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Burlington, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Burlington, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Central New Jersey, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Central New Jersey, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Gloucester County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Gloucester County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Garden State, L.P.	Marriage	Finalized	10/01/04	1231.00	Consent of Garden State, L.P.	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Middlesex County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Middlesex County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Newark, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Newark, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Passaic, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Passaic, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of South Jersey, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of South Jersey, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Union County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Union County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of Warren County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of Warren County, LLC	Marriage	10/01/04	1231.00	
October 1, 2004	Consent of York County, LLC	Marriage	Finalized	10/01/04	1231.00	Consent of York County, LLC	Marriage	10/01/04	1231.00	
November 1, 2004	Consent of Middlesex, LLC	Marriage	Finalized	11/01/04	1231.00	Consent of Middlesex, LLC	Marriage	11/01/04	1231.00	
November 1, 2004	Consent of the Boardwalk, LLC	Marriage	Finalized	11/01/04	1231.00	Consent of the Boardwalk, LLC	Marriage	11/01/04	1231.00	
November 1, 2004	Consent of New Jersey, LLC	Marriage	Finalized	11/01/04	1231.00	Consent of New Jersey, LLC	Marriage	11/01/04	1231.00	
November 1, 2004	Consent of Mercer County, LLC	Marriage	Finalized	11/01/04	1231.00	Consent of Mercer County, LLC	Marriage	11/01/04	1231.00	
November 1, 2004	Consent of Somerset, Pennsylvania, Inc. Lehigh Valley	Marriage	Finalized	11/01/04	1231.00	Consent of Somerset, Pennsylvania, Inc. Lehigh Valley	Marriage	11/01/04	1231.00	
November 1, 2004	Consent of York County, LLC	Marriage	Finalized	11/01/04	1231.00	Consent of York County, LLC	Marriage	11/01/04	1231.00	

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