

Agenda Date: 3/18/15 Agenda Item: IIIB

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/

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CABLE TELEVISION

) ORDER OF AMENDMENT

DOCKET NO. CE10050327

Parties of Record:

NEWARK

IN THE MATTER OF CABLEVISION OF NEWARK

CABLE TELEVISION FRANCHISE IN THE CITY OF

FOR THE CONVERSION TO A SYSTEM-WIDE

R. Thurman Barnes, Area Director, Government and Public Affairs NJ, Cablevision **Kenneth Louis, Clerk,** City of Newark, New Jersey **Stefanie A. Brand, Esq., Director,** Division of Rate Counsel

BY THE BOARD¹:

On August 4, 2010, the Board issued an order memorializing the conversion by Cablevision of Newark of its municipal consent-based franchise in the Township of South Orange Village to a System-wide Cable Television Franchise in the above referenced docket number for a term of seven years to expire on May 11, 2017.

Pursuant to <u>N.J.S.A.</u> 48:5A-25.1 and <u>N.J.A.C.</u> 14:18-14.13, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of P.L. 2006, c. 83 ("System-wide Cable Television Franchise Act" or "the Act") may automatically convert any or all of its municipal consent-based franchises upon notice to the Board and to the affected municipality or municipalities. In addition, pursuant to <u>N.J.A.C.</u> 14:18-14.14, a cable television company operating under a System-wide Cable Television Franchise may add municipalities to its System-wide Cable Television Franchise upon notice to the affected municipality or municipalities and the Board.

On January 29, 2015, Cablevision of Newark filed a notice with the City of Newark that it would convert its municipal consent ordinance-based franchise, thereby making the City of Newark part of its Cablevision of Newark System-wide Cable Television Franchise, and confirmed that it would abide by the provisions of <u>N.J.S.A.</u> 48:5A-28 (h)-(n) as required by the System-wide Cable Television Franchise Act. The notice was received by the Board on January 30, 2015.

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

DISCUSSION

Under <u>N.J.S.A.</u> 48:5A-25.1, a cable television operator with a municipal consent-based franchise or franchises issued prior to the effective date of P.L.2006 c. 83 may automatically convert any or all of its municipal consent-based franchises upon notice to the Board and to the affected municipality without meeting the requirements applicable to cable television operators applying for a system-wide cable television franchise, except that the commitment requirements under <u>N.J.S.A.</u> 48:5A-28 (h)-(n) shall be applicable to all system-wide cable television franchises, including conversions. <u>N.J.S.A.</u> 48:5A-28(h)-(n) imposes requirements on all cable television companies operating under a System-wide Cable Television Franchise and includes commitments as to line extensions; public, educational and governmental ("PEG") access channels; interconnection with other cable television companies; free cable and Internet service to public schools and municipal buildings; training and equipment for access users; PEG access return feeds; and compliance with customer protection regulations. As noted above, Cablevision of Newark committed to provide service to the City of Newark as required by these provisions.

DISPOSITION OF CERTIFICATE OF APPROVAL AND UNDERLYING MUNICIPAL CONSENT

As discussed above, the Act allows a cable television company, operating under a municipal consent ordinance-based franchise, to "automatically convert" its system in any or all of its municipalities without approval from the Board or the impacted municipalities. <u>N.J.S.A.</u> 48:5A-25.1(a). Furthermore, <u>N.J.S.A.</u> 48:5A-19 provides that a "certificate of approval issued by the board shall be valid for 15 years from the date of issuance... or until the expiration, revocation, termination or renegotiation of any municipal consent upon which it is based, whichever is sooner."

Cablevision of Newark's Certificate of Approval and the underlying municipal consent ordinance in the City of Newark expired on July 28, 2006. Cablevision of Newark initiated renewal proceedings with the City of Newark and was thereby authorized to continue to provide cable television service to the City of Newark pursuant to <u>N.J.S.A.</u> 48:5A-25, pending disposition of the proceedings regarding the renewal of its Certificate. Because Cablevision of Newark has now converted its municipal consent based-franchise for the City of Newark to a system-wide cable television franchise, pursuant to <u>N.J.S.A.</u> 48:5A-19 and <u>N.J.S.A.</u> 48:5A-25.1(a), the Board <u>HEREBY FINDS</u> that Cablevision of Newark's Certificate of Approval for the City of Newark has expired by operation of law.

Cablevision of Newark is authorized to provide cable television service to the City of Newark, pursuant to its converted System-wide Cable Television Franchise and the requirements of N.J.S.A. 48:5A-28(h)-(n) and applicable law.

With regard to <u>N.J.S.A.</u> 48:5A-28(h), a system-wide cable television franchise operator is required to meet or exceed the line extension policy ("LEP") commitments of the cable television company operating under a municipal consent ordinance-based franchise at the time the franchise is granted. Therefore, Cablevision of Newark as the incumbent municipal consent-based franchise holder is required, in the City of Newark to provide service to all residents at no cost beyond standard and non-standard installation rates, contained in its schedule of prices, rates, terms and conditions, on file with the Board. Commercial areas shall be constructed in accordance with Cablevision of Newark's schedule of prices, rates, terms and conditions.

Based upon the elements of the System-wide Cable Television Franchise, and the legal mandates under which the Board operates, this Order <u>HEREBY</u> <u>COMMEMORATES</u> the addition of the City of Newark to Cablevision of Newark's System-wide Cable Television Franchise.

This Order of Amendment to the System-wide Cable Television Franchise serves to add the City of Newark to Cablevision of Newark's System-wide Cable Television Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of that August 4, 2010 Order.

Without limitations to the full requirements set forth in that Order, the Board reminds Cablevision of Newark that, under the System-wide Cable Television Franchise, it 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. To the extent possible based upon the technology used in providing service, Cablevision of Newark shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> § 76.1 <u>et seq.</u>, including, but not limited to, the technical standards 47 <u>C.F.R.</u> § 76.601 through § 76.630. Any modifications to the provisions thereof shall be incorporated into the 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 subject Cablevision of Newark to penalties, as enumerated in <u>N.J.S.A.</u> 48:5A-51, and/or may constitute sufficient grounds for the suspension or revocation of the System-wide Cable Television franchise.

This Order of Amendment to the System-wide Cable Television Franchise is issued on the representation that the statements contained in Cablevision of Newark's applications, notices, and other writings 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.

This Order shall be effective on April 1, 2015.

3/18/15 DATED:

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BOARD OF PUBLIC UTILITIES BY:

RICHARD S. MROZ PRESIDENT

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JOSÉPH L. FIORDALISO COMMISSIONER

MARY-ANNA HOLDEN COMMISSIONER

DIANNE SOLOMON

COMMISSIONER

ATTEST: KENNETH J. SHEEHAN 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 CABLEVISION OF NEWARK FOR THE CONVERSION TO A SYSTEM-WIDE CABLE TELEVISION FRANCHISE FOR THE CITY OF NEWARK ORDER OF AMENDMENT DOCKET NO. CE10050327

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