

Agenda Date: 3/18/16 Agenda Item: 3A

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 3rd Floor, Suite 314 Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF THE APPLICATION OF CABLEVISION OF OAKLAND, LLC FOR THE RENEWAL OF ITS SYSTEM-WIDE CABLE TELEVISION FRANCHISE

SYSTEM-WIDE CABLE TELEVISION
FRANCHISE RENEWAL
DOCKET NO. CE15111317

Parties of Record:

R. Thurman Barnes, Area Director, Government Affairs, Cablevision Systems Corporation Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 1, 2009, the Board of Public Utilities ("Board") issued an order memorializing the conversion by Cablevision of Oakland, LLC ("Cablevision of Oakland") of its municipal consent-based franchise in the Township of Cedar Grove to a System-wide Cable Television Franchise in Docket No. CE09030231, for a term of seven years to expire on March 20, 2016. Cablevision of Oakland has added an additional 37 municipalities to its System-wide Cable Television Franchise. The addition of these municipalities was memorialized by Orders of Amendment issued by the Board: on March 17, 2010, for two municipalities; on June 18, 2010, for eight municipalities; on September 16, 2010, for eight municipalities; on November 10, 2010, for seven municipalities; on January 19, 2011, for ten municipalities; on May 16, 2011, for one municipality; and on December 18, 2013, for one municipality. A list of the municipalities included in Cablevision of Oakland's System-wide Cable Television Franchise is attached as Appendix "I".

BACKGROUND

On May 31, 2013, the Board notified Cablevision of Oakland of its intention to review its performance under its system-wide cable television franchise pursuant to 47 <u>U.S.C.</u> § 546, <u>N.J.S.A.</u> 48:5A-19(b) and <u>N.J.A.C.</u> 14:18-14.16. On October 23, 2014, the Board invited Cablevision of Oakland 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. Cablevision of Oakland filed its Initial Comments with the Board on January 30, 2015. Pursuant to <u>N.J.A.C.</u> 14:18-14.17, on August 19, 2015, the Board issued a report ("Ascertainment Report") on Cablevision of Oakland'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 cable television franchise.

On November 19, 2015, Cablevision of Oakland 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. Two hearings were held on January 4, 2016 in Franklin Lakes at 3:00 p.m. and in Saddle Brook at 6:00 p.m. Written comments were accepted between January 4, 2016 and February 3, 2016.

Following its review of Cablevision of Oakland's application, Board Staff issued discovery requests to Cablevision of Oakland on February 3, 2016, seeking additional follow-up information. Cablevision provided responses to Staff's requests on February 24, 2016.

PUBLIC COMMENT

At the hearings, the public was invited to provide oral and/or written comment on the application, and the hearings were transcribed by a court reporter, with the transcripts included in the record of this matter. At both hearings, the New Jersey Division of Rate Counsel ("Rate Counsel") noted the highlights of Cablevision of Oakland's application and stated that it would provide written comments to the Board regarding the application and the issuance of the Renewal System-wide Cable Television Franchise. On February 22, 2016, Rate Counsel filed a letter with the Board stating that it that reviewed the application and supporting documentation and did not oppose Board approval of Cablevision's application for a Renewal System-wide Cable Television Franchise. There were no other commenters.

DISCUSSION

In 2006, the Legislature passed amendments to the State Cable Act which allowed Cablevision of Oakland 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 cable television franchise applicant. The Board is bound by the enabling statute and the adopted rules for application and enforcement.

In determining whether to issue Cablevision of Oakland 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 cable television 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 cable television 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 television service. N.J.S.A. 48:5A-28 sets forth the elements in the application for a system-wide cable television franchise and the required commitments of a system-wide cable television franchise applicant. The Board's review of the application makes it clear that Cablevision of Oakland's application satisfies the requirements set forth by the Legislature.

CONCLUSION

Based upon these findings, the Board <u>HEREBY CONCLUDES</u> that, pursuant to the System-wide Cable Television Franchise Act and the Cable Television Act, the Cablevision of Oakland 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 Cablevision of Oakland 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, Cablevision of Oakland is <u>HEREBY ISSUED</u> this Renewal System-wide Cable Television Franchise, for a period of seven years, as evidence of Cablevision of Oakland'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 Cablevision of Oakland 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 Cablevision of Oakland shall be considered a part of this System-wide Cable Television Franchise and made part hereof by reference.
- Cablevision of Oakland shall provide service to any resident in all municipalities at no cost beyond the installation rates contained in its schedule of prices, rates, terms and conditions filed with the Board.
- Cablevision of Oakland 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. Cablevision of Oakland must provide notice to the Board and the affected municipality via certified mail.
- 4. Under N.J.A.C. 14:18-5.1(a), Cablevision shall maintain a local business office where applications for service, complaints, service inquiries, bill payments, and so forth will be received. Currently, Cablevision of Oakland maintains a local office at 40 Potash Road, Oakland, New Jersey. Cablevision of Oakland shall maintain its local office in accordance with applicable law.
- The designated complaint officer for all municipalities in Cablevision of Oakland's System-wide Cable Television Franchise is the Office of Cable Television. All complaints shall be received and processed in accordance with applicable rules.
- Cablevision of Oakland shall pay a franchise fee to each municipality served in the amount of 3.5% of its gross revenues, as defined by <u>N.J.S.A.</u> 48:5A-3(x) and -30(d), paid by subscribers in the municipality.
- 7. Cablevision of Oakland 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 <u>N.J.S.A.</u> 48:5A-3(x) and -30(d), paid by subscribers in the municipality.
- Cablevision of Oakland 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.
- 9. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Oakland shall provide or continue to provide and maintain a return line 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 access programming by the municipality. The return line or interconnection shall be provided in accordance with N.J.A.C. 14:18-15.4(c).
- 10. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Oakland 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. 4:18-15.4(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.
- 11. Cablevision of Oakland shall continue to provide equipment and training for municipalities covered by the system-wide cable television franchise without charge, for use in the development of local programming content that can be shown on PEG access channels. Cablevision currently maintains a studio location at 128 Bauer Drive, Oakland, New Jersey. The hours of operation are from 9:00am to 5:00pm, Monday through Friday, by appointment, on a first come, first served basis. Cablevision provides training at the access studio upon request. A municipality or its designee wishing to use the studio must have an access user application on file and submit a completed studio time user application. A municipality or its designee wishing to receive training must have an access user application on file and submit a completed access training application.
- 12. Upon written request of a municipality served by its System-wide Cable Television Franchise, Cablevision of Oakland 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.
- 13. Pursuant N.J.A.C. 14:18-14.3, Cablevision of Oakland 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.
- 14. Pursuant to N.J.S.A. 48:5A-28(n), Cablevision of Oakland 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. Cablevision of Oakland 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 Cablevision of Oakland's application 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 seg.

Cablevision of Oakland's Renewal System-wide Cable Television Franchise shall expire on March 20, 2023.

This Order shall be effective on March 28, 2016.

DATED: 3-18-16

BOARD OF PUBLIC UTILITIES

BY:

RICHARD S. MROZ

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COMMISSIONER

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COMMISSIONER

I HEREBY CERTIFY that the within document is a true copy of the **original** in the files of the Board of Public **United**

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APPENDIX "I" CABLEVISION OF OAKLAND, LLC'S SYSTEM-WIDE CABLE TELEVISION FRANCHISE MUNICIPALITIES

#	Municipality	County
1	Allendale Borough	Bergen
2	Alpine Borough	Bergen
3	Bogota Borough	Bergen
4	Cedar Grove Township	Essex
5	Clifton City	Passaic
6	Elmwood Park Borough	Bergen
7	Franklin Lakes Borough	Bergen
8	Garfield City	Bergen
9	Glen Rock Borough	Bergen
10	Hackensack City	Bergen
11	Haledon Borough	Passaic
12	Hasbrouck Heights Borough	Bergen
13	Hawthorne Borough	Passaic
14	Ho-Ho-Kus Borough	Bergen
15	Little Falls Township	Passaic
16	Lodi Borough	Bergen
17	Maywood Borough	Bergen
18	Midland Park Borough	Bergen
19	North Caldwell Borough	Essex
20	North Haledon Borough	Passaid
21	Nutley Township	Essex
22	Oakland Borough	Bergen
23	Park Ridge Borough	Bergen
24	Passaic City	Passaid
25	Prospect Park Borough	Passaic
26	Ramsey Borough	Bergen
27	Ridgewood Village	Bergen
28	River Edge Borough	Bergen
29	Rochelle Park Township	Bergen
30	Saddle Brook Township	Bergen
31	South Hackensack Township	Bergen
32	Totowa Borough	Passaid
33	Upper Saddle River Borough	Bergen
34	Waldwick Borough	Bergen
35	Washington Township	Bergen
36	Westwood Borough	Bergen
37	Wood-Ridge Borough	Bergen
38	Wyckoff Township	Bergen

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