



Agenda Date: 11/9/11
Agenda Item: IIIA

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
PO Box 350
Trenton, NJ 08625-0350
www.nj.gov/bpu/

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CSC TKR,)
LLC D/B/A CABLEVISION OF ELIZABETH FOR) RENEWAL CERTIFICATE OF
RENEWAL OF A CERTIFICATE OF APPROVAL TO) APPROVAL
CONTINUE TO OPERATE AND MAINTAIN A CABLE)
TELEVISION SYSTEM IN THE CITY OF ELIZABETH,)
COUNTY OF UNION, STATE OF NEW JERSEY) DOCKET NO. CE11070426

Parties of Record:

James Eric Andrews, Esq., Schenck, Price, Smith & King, for the Petitioner

Yolanda M. Roberts, City Clerk, City of Elizabeth, New Jersey, for the City

BY THE BOARD:

On January 30, 1980, the Board granted CATV of Elizabeth, Inc. ("CATV Elizabeth") a Certificate of Approval, in Docket No. 7811C-6418, for the construction, operation and maintenance of a cable television system for the City of Elizabeth ("City"). On August 20, 1982, the Board approved the transfer of the Certificate from CATV Elizabeth to TKR Cable Company ("TKR"), in Docket No. 828C-6929. On July 13, 1995, the Board granted TKR a Renewal Certificate of Approval for the City in Docket No. CE95020076. Through a series of transfers with the required Board approvals, the holder of the Certificate was CSC TKR, Inc. d/b/a Cablevision of Elizabeth ("Cablevision Elizabeth"). On July 21, 2006, the Board granted Cablevision Elizabeth a Renewal Certificate of Approval for the City in Docket No. CE06050335. Based on a name change, the current holder of the Certificate is CSC TKR, LLC d/b/a Cablevision of Elizabeth ("Petitioner"). Although by its terms the Petitioner's above referenced Certificate expired on January 30, 2010, 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 June 25, 2009, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 et seq. On February 9, 2010, the City adopted a municipal ordinance granting renewal consent to the Petitioner. On August 19, 2010, the Petitioner formally accepted the terms and conditions of the ordinance. On July 18, 2011, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the City.

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

The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the City reviewed these qualifications 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 is five years from the date of issuance of this Certificate. The Board finds this period to be reasonable.
5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain an informational schedule of prices, terms and conditions for unregulated service and promptly file any revisions thereto.
6. 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. All complaints shall be received and processed in accordance with the applicable rules.
7. The Petitioner shall maintain a local business office or agent within the City for the purpose of receiving, investigating and resolving complaints. The current local office is located at 536 North Broad Street, Elizabeth, New Jersey.
8. 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 and shall be increased as required by N.J.S.A. 48:5A-30. 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.
9. The Petitioner shall provide service to any residence along any public right-of-way in the City at no cost beyond standard and non-standard installation charges as specified in their schedule of all prices, rates, terms and conditions. Installations to commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I."

10. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. As specified in the application, the Petitioner shall provide a non-commercial PEG access channel, which is shared with the Petitioner's local origination channel. The PEG access channel is available for use by schools and libraries, religious, government and other organizations that wish to cablecast their non-commercial PEG access programming. The Petitioner maintains public access studios, which have video and audio recording/playback/editing equipment for public access use. The Petitioner offers interested community members workshops in the aspects of operating a studio. The Petitioner also has some equipment available for remote shoots.
11. The Petitioner shall provide the City with a technology grant for cable and/or telecommunications related purposes in the total amount of \$40,000.00, which is to be paid as follows: \$30,000.00 within 60 days of issuance of this Certificate and, within 60 days of receipt of the City's written request, a payment of \$10,000.00 in the third year of the franchise term. The Petitioner shall be relieved of any remaining payments if it converts its municipal consent to a system-wide franchise as provided by N.J.S.A. 48:5A-25.1(a). Upon payment of each portion of the contribution, the Petitioner shall provide the Office of Cable Television with proof of satisfaction of this obligation.
12. Upon written request of the City, the Petitioner shall provide one standard installation and monthly cable television reception service, free of charge, to all state or locally accredited public schools, all municipal public libraries, as well as municipal buildings located in the City.
13. The Petitioner shall implement a senior citizens discount program in the City in the amount of 10% off the monthly rate for basic service for senior citizens who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program, as allowed by N.J.S.A. 48:5A-11.2. If the Petitioner shall be required to increase the franchise fee in accordance with N.J.S.A. 48:5A-30d, then at such time as the new fee is instituted, the Petitioner shall no longer be obligated to maintain or offer a senior citizens discount. Notice of discontinuance of the discount shall be provided in accordance with N.J.A.C. 14:18-3.20(b).

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; that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., except as modified above; 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 or federal law as preconditions for engaging in the proposed cable television operations; that the Petitioner 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, 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 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 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 of 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 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 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 enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire five years from the date of its issuance.

DATED: 11/9/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT

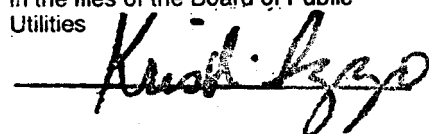

JEANNE M. FOX
COMMISSIONER


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


APPENDIX "I"
CSC TKR, LLC D/B/A CABLEVISION OF ELIZABETH
CITY OF ELIZABETH

COMMERCIAL LINE EXTENSION RATE POLICY

1. Intent. It is the intent of Cablevision that a rate policy be established under which any businesses within the company's franchise areas would have the opportunity to obtain cable television service.

2. Applicability. This line extension rate shall apply to all cable television service extensions, aerial and underground, on public and private lands, provided by Cablevision.

3. Definitions.

(a) Line or Service. That situation where the company must extend its existing trunk line and/or distribution cable in order to make a tap available from which a drop line can be run so as to provide cable television service to the applicant's premises. The line or service extension shall include, but not be limited to, all poles, cables, amplifiers, extenders, splitters, taps, right-of-way acquisitions and clearing, trenching, backfilling and any other one-time costs incurred by Cablevision in connection with extending service to the applicant. A line or service extension shall not include facilities provided by Cablevision pursuant to its applicable installation rates then existing.

(b) Applicant. Any person, firm, corporation or association that applies to Cablevision for service to a commercial establishment in the franchise area.

(c) Commercial Establishment. Any building or structure, or portion thereof, not used for residential purposes including, but not limited to, profit and non-profit corporations or associations, which has requested the installation of cable television service requiring line or service extension as defined herein.

(d) Drop Line. That cable which connects the subscriber's television receiver to the cable transmission system by way of a tap.

(e) Tap. A connecting device inserted in the cable transmission line which allows for the connection of a drop line. An aerial or underground "drop line" constitutes a transmission cable running from the distribution or feeder cable to the subscriber's connection or receiver.

(f) Trunk Line. Transmission cable running from headend to trunk amplifiers and through each trunk amplifier in cascade in the system from which connections for distribution and feeder cable are provided.

(g) Distribution or Feeder Cable. Transmission cable which extends from the distribution amplifiers serving specific areas within the system and from which drop lines are extended.

(h) Qualified Subscriber. Any applicant who, as a potential subscriber, has committed to purchase at least the basic service from Cablevision for a period of not less than two (2) years.

4. Schedule.

(a) Within thirty (30) days after the date on which the service is requested, but not more than ninety (90) days from the date upon which the request for service was made, Cablevision shall furnish the applicant with (1) an estimate request form, (2) a copy of this line extension policy, and (3) notification that service can only be provided by means of a line or service extension.

(b) If the applicant requests a written estimate within thirty (30) days after being advised that service can only be provided by means of a line or service extension, Cablevision shall, within sixty (60) days of such request, furnish a written estimate, a construction schedule, and a service extension contract to be signed by the applicant.

(c) The applicant must return a signed service extension agreement within thirty (30) days after receipt of the material described in Paragraph (b) together with a check in the amount of \$50.00 representing a service extension deposit which will be credited against the applicant's contribution in aid of construction invoice to the applicant which must be signed and returned to Cablevision with the full payment before construction will commence.

(d) If the applicant fails to meet any of the applicable deadlines or any of the terms herein before set forth without the approval of Cablevision, any obligations pertaining to the proposed line or service extension shall cease and be of no further force or effect.

5. Commercial Line Extension Rate Charges.

A commercial establishment requesting line or service extension shall bear all of the following costs to make a tap available from which a drop line may be installed:

(a) The actual cost to Cablevision of materials and equipment necessary to make service available plus shipping charges and applicable taxes.

(b) The actual labor costs incurred by Cablevision, exclusive of benefits.

(c) The actual costs of designs, surveys, prints and engineering or other such labor involved in the preparation or actual construction required.

(d) The direct costs of any easements, make-ready or other third party actions required to perform and complete construction such as, but not limited to, power companies, telephone companies, road work, trenching or the like.

(e) In addition, the applicant shall pay to Cablevision a sum equal to twenty percent (20%) of the entire actual cost of construction as set forth above.

(f) In the event additional commercial subscribers come on-line in an area in which service extension has been provided in accordance herewith, each additional subscriber shall, in addition to the applicable installation rate, be required to contribute their pro-rata share of the original construction costs. Said pro-rata share shall be derived by dividing the original construction cost by the number of then existing on-line subscribers including the additional subscriber(s).

(g) Any funds collected from additional subscribers will be retained by Cablevision in an interest-bearing account and distributed equitably so as to equalize all subscriber construction contributions. Distribution will be made two years after the original service extension was provided. After said two year period, there shall be no further apportionment of the original construction cost.

6. Record Keeping and Annual Reports. Cablevision shall maintain appropriate records of its costs, subscriber and applicant billings, and revenues resulting from a request for or the construction of a service extension.

7. Ownership of Facilities. Cablevision shall own and maintain the facilities for which a service extension is made and any applicant-subscriber shall not acquire any interest herein.

8. Method of Service Extension. Cablevision reserves the right to provide either an aerial or underground service extension.

9. Term of Service. The minimum term of at least basic subscriber service for an applicant requesting service extension, or his successors and assigns, shall be twenty-four (24) months after the service extension has been energized. Said term shall be guaranteed by the applicant in the service extension contract specified in Paragraph 4(c) hereof.

SERVICE LIST

CSC TKR, LLC D/B/A CABLEVISION OF ELIZABETH
RENEWAL CERTIFICATE OF APPROVAL
CITY OF ELIZABETH
DOCKET NO. CE11070426

James Eric Andrews, Esq.
Schenck, Price, Smith & King
PO Box 991
Florham Park, NJ 07932-0991

Yolanda M. Roberts
City Clerk
City of Elizabeth
Winfield Scott Plaza
Elizabeth, NJ 07201

Adam Falk, Vice President
Government and Public Affairs
Cablevision Systems Corporation
1111 Stewart Avenue
Bethpage, NY 11714-3581

Alex Moreau
Deputy Attorney General
Division of Law
124 Halsey Street
PO Box 45029
Newark, NJ 07101

Celeste M. Fasone, Director
Office of Cable Television
Board of Public Utilities
44 South Clinton Avenue
PO Box 350
Trenton, NJ 08625-0350

Karen A. Marlowe
Administrative Analyst I
Office of Cable Television
Board of Public Utilities
44 South Clinton Avenue
PO Box 350
Trenton, NJ 08625-0350