



Agenda Date: 8/24/16  
Agenda Item: IIIA

**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/](http://www.nj.gov/bpu/)

CABLE TELEVISION &  
TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF )  
CABLEVISION OF WARWICK, LLC FOR RENEWAL ) RENEWAL CERTIFICATE OF  
OF A CERTIFICATE OF APPROVAL TO CONTINUE ) APPROVAL  
TO OPERATE AND MAINTAIN A CABLE TELEVISION )  
SYSTEM IN THE TOWNSHIP OF MONTAGUE, )  
COUNTY OF SUSSEX, STATE OF NEW JERSEY ) DOCKET NO. CE16040283

**Parties of Record:**

**James Eric Andrews, Esq.**, Schenck, Price, Smith & King, LLP, for the Petitioner  
**Eileen DeFabiis, Clerk**, Township of Montague, New Jersey

**BY THE BOARD:**

On March 30, 1978, the Board of Public Utilities ("Board") granted Montague Cable Company, Inc. ("Montague") a Certificate of Approval, in Docket No. 7512C-6139A, for the construction, operation and maintenance of a cable television system for the Township of Montague ("Township"). On July 19, 1994, the Board granted Montague a Renewal Certificate of Approval for the Township, in Docket No. CE93030100. Through a series of transfers, with required Board approvals, the current holder of the Certificate is Cablevision of Warwick, LLC ("Petitioner"). On August 18, 2005, the Board granted the Petitioner a Renewal Certificate of Approval for the Township, in Docket No. CE05040384. Although by its terms the Petitioner's above referenced Certificate expired on August 18, 2015, the Petitioner is authorized to continue to provide cable television service to the Township 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 Township on November 24, 2014, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 et seq. On March 24, 2015, after public hearing, the Township adopted an ordinance granting renewal of municipal consent to the Petitioner. On August 25, 2015, the Petitioner formally accepted the terms and conditions of the ordinance. On April 11, 2016, 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 Township.

The Board 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:

1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Township 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 ten years from the date of issuance of this Certificate. The Board finds this duration 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 informational schedules 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 Township. In this case, the complaint officer is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules and the ordinance.
7. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. Current local offices are located at: 40 Potash Road, Oakland, New Jersey, 605 Pennsylvania Avenue, Matamoras, PA, and 159 Windermere Avenue, Greenwood Lake, New York.
8. The franchise fee to be paid to the Township 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 cable television reception service in the Township, 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 Township specified in the ordinance as its service area ("Primary Service Area") at no cost beyond standard and non-standard installation charges. For any extension to a residence outside of the Primary Service Area, the Petitioner shall utilize the line extension policy attached to the Certificate as Appendix "I" with a homes per mile of 25.

10. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. The Petitioner shall provide one non-commercial PEG access channel for use by the Township and other municipalities in its system. The Petitioner currently provides a public access studio in New Jersey for access users. The studio production equipment includes, at a minimum, television cameras, microphones, lighting and recording equipment. At its discretion, the Petitioner may provide training in the production of programming for the Township, its public schools and residents. The training sessions may be conducted upon reasonable request of the Township, its public schools and residents, provided, however, that each training session shall require a minimum of five participants.
11. Upon written request of the Township, the Petitioner shall provide one standard installation and monthly cable television reception service, free of charge, to all State or locally accredited public and private elementary and secondary schools, all municipal public libraries, and all municipal buildings that are used for municipal governmental purposes located in the Township.
12. Upon written request of the Township, the Petitioner shall provide, free of charge, basic Internet service via one high-speed cable modem, including standard installation, to the Township's Town Hall and to all state and locally accredited elementary and secondary schools and all municipal public libraries located in the Township.

Incorporated herein is the continued grant of operating authority to the Petitioner for the Township of Sandyston ("Sandyston"). In 1983, the Office of Cable Television granted a waiver to serve unfranchised borders to Montague to allow it to serve a portion of Sandyston, pursuant to N.J.S.A. 48:5A-15. The waiver was granted after Sandyston passed a resolution requesting that Montague be allowed to serve the northwest portion of Sandyston due to Montague's proximity to the area. Service Electric Cable T.V. of New Jersey, Inc. ("Service Electric") is the holder of the Certificate of Approval for Sandyston, pursuant to BPU Docket No. CE11060359, and is authorized to provide service to the entirety of the municipality. However, due to the location of its plant, Service Electric granted approval to Montague to provide service to the area of Sandyston in question. The Petitioner is successor to Montague, and therefore has continued to provide service to these residents under the waiver granted to Montague. It is in the public interest to allow the Petitioner to continue to provide service to the northwest portion of Sandyston. It is noted herein, however, that if Service Electric determines that it wishes to serve these residents, it has the authority to do so under the Renewal Certificate of Approval granted to it in BPU Docket No. CE11060359.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), Petitioner has the municipal consent necessary to support the petition, that such consent and that the issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., 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 that the Petitioner 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 Township.

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 that 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.

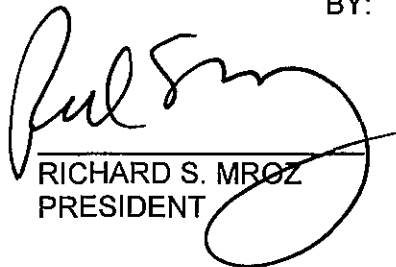
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings contained therein shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on September 3, 2026.

This Order shall be effective on September 3, 2016.

DATED: 8/24/16

BOARD OF PUBLIC UTILITIES  
BY:

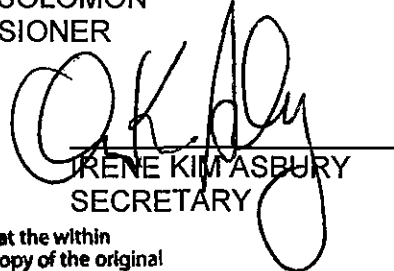
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

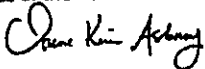
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

  
UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST:   
IRENE KIM ASBURY  
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"  
OFFICE OF CABLE TELEVISION  
LINE EXTENSION POLICY

CABLEVISION OF WARWICK, LLC  
TOWNSHIP OF MONTAGUE

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

- |    |  |   |   |
|----|--|---|---|
| 1. | <u># of homes in extension</u><br>mileage of extension                                     | = | Homes per mile (HPM) of extension   |
| 2. | <u>HPM of extension</u><br>Minimum HPM that company actually constructs in the system      | = | Ratio of the density of the extension to the minimum density which the company constructs in the system ("A") |
| 3. | Total cost of building the extension times "A"   | = | Company's share of extension cost   |
| 4. | Total cost of building extension less company's share of extension cost                    | = | Total amount to be recovered from subscribers   |
| 5. | Total amount to be <u>recovered from subscribers</u><br>Total subscribers in the extension | = | Each subscriber's share   |

In any case, the company shall extend its plant along public rights of way to:

1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

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\* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's break-even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right-of-way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

1. Provide a written estimate within 30 days of such a request.
2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six months of receipt of any deposit monies from potential subscribers.
4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

1. If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
4. Once the share of the extension cost for an individual dwelling has been paid, future reconnections or installations shall be made at the company's standard rates.
5. After a period of five years from the installation of the first dwelling unit in the extension, no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

## Definitions

### Primary Service Area

The Primary Service Area (PSA) can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

### Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

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BPU DOCKET NO. CE16040283

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