

Agenda Date: 12/21/22 Agenda Item: IIIC

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350 <u>www.nj.gov/bpu/</u>

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OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF SERVICE ELECTRIC CABLE TV OF NEW JERSEY, INC. FOR RENEWAL OF ITS CERTIFICATE OF APPROVAL TO OWN, OPERATE, EXTEND, AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE TOWNSHIP OF STILLWATER, COUNTY OF SUSSEX, STATE OF NEW JERSEY. RENEWAL CERTIFICATE OF APPROVAL

DOCKET NO. CE18111222

Parties of Record:

Laura M. Miller, Esq., Norris McLaughlin, P.A., on behalf of Service Electric Cable TV of New Jersey, Inc.

Lynda Knott, Clerk, Township of Stillwater, New Jersey

BY THE BOARD:

On March 16, 1978, the New Jersey Board of Public Utilities ("Board") granted Service Electric Cable TV of New Jersey, Inc., under the corporate name of Garden State CATV, Inc. a Certificate of Approval ("Certificate") in Docket No. 7712C-6340, for the construction, operation and maintenance of a cable television system in the Township of Stillwater ("Township"). Based on a name change, the holder of the Certificate was known as Service Electric Cable TV of New Jersey, Inc. ("Petitioner"). On May 14, 1993, the Board granted the Petitioner a Renewal Certificate of Approval ("Renewal Certificate") for the Township in Docket No. CE92121092. The Board issued an Automatic Renewal Certificate of Approval to the Petitioner for the Township on April 27, 2009 in Docket No. CE09010045. On July 2, 2020, the Board approved the transfer of the Certificate from the Petitioner to CSC TKR, LLC, a wholly-owned subsidiary of Altice USA, Inc. in Docket No. CM20030211. Although by its terms, the Petitioner's above referenced Certificate expired on May 14, 2018, 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.

The Petitioner filed an application for the renewal of its municipal consent with the Township on August 7, 2017, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.1 to 9. On October 2, 2018, the Township, after public hearing, adopted an ordinance granting renewal municipal consent to the Petitioner ("Ordinance"). The Petitioner formally accepted the terms and conditions of the ordinance on October 3, 2018. On November 2, 2018, pursuant to N.J.S.A. 48:5A-16, the

Petitioner filed with the Board for a renewal of its Certificate for the Township.

DISCUSSION AND FINDINGS

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

- 1. The Petitioner possesses the requisite legal, character, financial, and technical qualifications for the awarding of a Certificate. Further, these qualifications were reviewed by the Township 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 10 years, pursuant to N.J.S.A. 48:5A-19 and 25. The Board finds this franchise period reasonable.
- 5. The Petitioner shall utilize the line extension policy attached to the Certificate ("Appendix "I"") for any extension outside of the Primary Service Area. The minimum homes per mile ("HPM") figure is 35.
- 6. The Petitioner shall maintain an informational schedule of prices, terms and conditions for unregulated service, and promptly file any revisions thereto.
- 7. 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, it is the Office of Cable Television and Telecommunications. All complaints shall be received and processed in accordance with any applicable rules.
- 8. During the term of this franchise, and any renewal thereof, the Petitioner shall maintain a local business office or agent in Sussex County for the purpose of receiving, investigating and resolving complaints regarding the quality of service, equipment, malfunctions, and similar matters. The Petitioner currently maintains a local office located at: 320 Sparta Avenue, Sparta, New Jersey.
- 9. 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 its cable television reception service in the Township or any additional amount 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.

- 10. The Petitioner shall provide public, educational, and governmental access channels and facilities in accordance with its application. Specifically, the Petitioner shall provide one (1) channel for educational access. The Petitioner shall make every reasonable effort to provide an outside contractor to tape community programming upon request.
- 11. The Petitioner shall provide expanded basic cable service, free of charge, to the following locations including: four (4) outlets to the Stillwater Fire Department located at 929 Stillwater Road; one (1) outlet to the Stillwater First Aid Squad located at 964 Stillwater Road; one (1) outlet to the Stillwater Department of Public Works located at 919 Middleville Road; three (3) outlets to the Stillwater Municipal Building located at 964 Stillwater Road; and 44 outlets to the Stillwater School located at 904 Stillwater Road. All subscribers shall be fully responsible for the cost associated with any installation of service and with each digital box and/or other equipment that the subscriber maintains, which fees are determined by the Petitioner in accordance with the type of digital box(es) and/or other equipment that the subscriber maintains.
- 12. The Petitioner is not required to offer a discount to senior citizens, disabled residents and/or other parties. If the Petitioner does offer such a discount in other franchise areas during the term of this Certificate, said discount will likewise be offered to qualifying Township residents.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, 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 to 64; 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 and federal law as preconditions for engaging in the proposed cable television operations; that the Petitioner has sufficient financial and technical capacity, and 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 <u>HEREBY</u> <u>ISSUED</u> this Renewal Certificate 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 Telecommunications, 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 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 Certificate.

Failure to comply with all applicable laws, rules, regulations, and orders of the Board or the Office of Cable Television and Telecommunications 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 be enforceable unless specific waiver is granted by the Office of Cable Television and Telecommunications pursuant to the authority contained in N.J.S.A. 48:5A-1 to 64.

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This Certificate shall expire on May 14, 2028.

This Order shall be effective on December 28, 2022.

DATED: December 21, 2022

BOARD OF PUBLIC UTILITIES BY:

JOSEPH L. FIORDALISO

PRESIDENT

RY-ANNA HOL COMMISSIONER

DIANNE SOLOMON

COMMISSIONER

ROBERT M. GORDON COMMISSIONER

DR. ZENON CHRISTODOULOU COMMISSIONER

ATTEST:

CARMEN D. DIAZ ACTING 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 and Telecommunications Line Extension Policy

Company:Service Electric Cable TV of New Jersey, Inc.Municipality:Township of Stillwater, County of Sussex

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> mileage of extension	=	homes per mile ("HPM") of extension
2.	HPM of extension Minimum HPM that company actually constructs in the system*	=	ratio of the density of the extension to the minimum density that 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 subs</u> Total subscribers in 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.

* 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 breakeven 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 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 thirty (30) days of such a request.
- 2. Begin construction within sixty (60) days of receipt of any deposit monies from potential subscribers.
- 3. Complete construction within six (6) 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 an individual dwelling has paid its share of the extension cost, future reconnections or installations shall be made at the company's standard rates.
- 5. After a period of five (5) years from the installation of the first dwelling unit in the extension, no further adjustments shall be made. Installations after five (5) 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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SERVICE LIST

Laura M. Miller, Esq. Norris McLaughlin, P.A. 400 Crossing Boulevard, 8th Floor P.O. Box 5933 Bridgewater, NJ 08807-5933 Imiller@norris-law.com

Lynda Knott Township Clerk Township of Stillwater 964 Stillwater Road Newton, NJ 07860 clerk@stillwatertwp.com

Marilyn Davis Sr. Director, Government Affairs Altice USA 275 Centennial Avenue Piscataway, NJ 08854 marilyn.davis16@alticeusa.com

Robert Hoch Sr. Counsel, Government Affairs Altice USA, Inc. 1 Court Square West Long Island City, NY 11101 robert.hoch@alticeusa.com Meliha Arnautovic, DAG NJ Department of Law & Public Safety Division of Law Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street Post Office Box 112 Trenton, NJ 08625 meliha.arnautovic@law.njoag.gov

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350 www.nj.gov/bpu/

Carmen Diaz, Acting Secretary board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

Office of Cable Television and Telecommunications

Lawanda R. Gilbert, Esq., Director lawanda.gilbert@bpu.nj.gov

Nancy J. Wolf, Administrative Analyst 4 nancy.wolf@bpu.nj.gov

Stephanie Katz, Administrative Analyst 1 stephanie.katz@bpu.nj.gov

Counsel's Office

Carol Artale, Deputy General Counsel carol.artale@bpu.nj.gov

Lanhi Saldana, Legal Specialist lanhi.saldana@bpu.nj.gov

Steven Athanassopoulos, Legal Specialist steven.athanassopoulos@bpu.nj.gov