

STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF)
COMCAST OF CENTRAL NEW JERSEY, LLC)
FOR A RENEWAL CERTIFICATE OF)
APPROVAL TO CONTINUE TO CONSTRUCT,)
OPERATE AND MAINTAIN A CABLE)
TELEVISION SYSTEM IN AND FOR THE)
TOWNSHIP OF MONROE, COUNTY OF)
MIDDLESEX, STATE OF NEW JERSEY)

RENEWAL
CERTIFICATE OF APPROVAL

DOCKET NO. CE05090839

(SERVICE LIST ATTACHED)

BY THE BOARD:

On August 24, 1979, the Board granted Nassau Cable Television, Inc. ("Nassau") a Certificate of Approval ("Certificate") in Docket No. 769C-6484 for the construction, operation and maintenance of a cable television system in the Township of Monroe ("Township"). Due to a series of Board approved transfers, the Certificate was held by Comcast Cablevision of Central New Jersey, Inc. and on March 13, 1995, the Board issued a Renewal Certificate of Approval in Docket No. CE94100482. Based on a name change, the current holder of the Certificate is Comcast of Central New Jersey, LLC ("Petitioner"). Although the Petitioner's above referenced Certificate expired on March 13, 2005, 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 June 11, 2004, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township held a public hearing and conducted extensive negotiations; however, the Township and the Petitioner were unable to reach an agreement.

On September 30, 2005, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner filed a petition with the Board for a renewal of its Certificate for the Township. The Petitioner alleged that the Township's actions, and its failure to grant municipal consent, were arbitrary and capricious. On October 25, 2005 the Township filed an answer to the petition

contending that the Petitioner refused to agree to satisfy the Township's future cable related needs.

Discussions between the parties culminated in a settlement that resolved the matter. The Borough adopted an ordinance granting renewal of its municipal consent to the Petitioner on March 5, 2007. However, the Petitioner notified the Township on March 12, 2007 that a provision of the ordinance did not accurately reflect the agreement of the parties. The Petitioner requested the Township's consent to clarify a provision in the Renewal Certificate to state that only existing access channels at certain planned retirement communities may need to be moved. On or about May 21, 2007, the Township consented to such clarification in the Renewal Certificate and therefore, it is reflected below. On June 20, 2007, the Petitioner accepted the terms and conditions of the ordinance.

On July 23, 2007, the Petitioner filed an amended petition with the Board. The Board has reviewed the application for municipal consent, the petition and amended petition for a Renewal Certificate 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 Certificate of Approval. 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 15 years with an automatic renewal provision for a term of ten years thereafter pursuant to N.J.S.A. 48:5A-19 and -25. The Board finds these periods to be of reasonable duration.
- 5) The Township has reserved the right to review the Petitioner's performance with regard to the ordinance. In the event that the Township finds that the Petitioner has not substantially complied with the material terms and conditions of the ordinance, the Township shall have the right to petition the Board for appropriate administrative action, pursuant to N.J.S.A. 48:5A-47; provided however, that the Township shall first have given the Petitioner written notice of all alleged instances of non-compliance and an opportunity to cure same within 90 days of that notification. If, after such reasonable notice and opportunity to cure, the Petitioner has not cured any such findings of non-compliance, the Township may petition the Board for appropriate administrative action including modification and/or termination of the Certificate of Approval.
- 6) The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 35.

- 7) 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, rates, terms and conditions for unregulated service, and promptly file any revisions thereto.
- 8) 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. All complaints shall be received and processed in accordance with any applicable rules.
- 9) The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The Petitioner currently maintains a local office at 90 Lake Drive, in East Windsor.
- 10) 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 thereafter 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 or any additional amount thereafter required by N.J.S.A. 48:5A-30. The Board finds these fees to be reasonable.
- 1) The Petitioner shall provide public, educational, and governmental ("PEG") access equipment and facilities as described in the application and the ordinance. The Petitioner currently provides one system-wide channel for local origination programming, one system-wide educational access channel and one public access channel for use by community and educational entities for the purpose of cablecasting non-commercial programming. The Petitioner provides use of studio facilities with video cameras and an editing deck in East Windsor for the creation of local and access programming. The Petitioner shall provide one dedicated access channel to the Township, which may require the Petitioner to move existing access channels at certain planned retirement communities.
- 12) The Petitioner shall install one return path from the Township's current high school to the Petitioner's plant for the purpose of insertion by the Township of locally originated programming for cablecasting on the municipal access channel. The Petitioner shall relocate such return path to the new high school currently being constructed in the Township upon ninety (90) days written notice of the opening of the utility trenches to the new high school.
- 13) Within six months of issuance of this Renewal Certificate, the Petitioner shall provide to the Township a one time capital contribution of \$125,000.00, to be utilized by the Township for technology related purposes. Upon payment, the Petitioner shall submit proof of satisfaction of this provision to the Office of Cable Television.
- 14) The Petitioner shall provide Preferred cable television service, on one outlet, free of charge, to each school in the Township, public and private, elementary, intermediate and secondary, provided that each school is located within 175 feet of active cable

distribution plant. Each additional outlet installed, if any, shall be paid for on a materials plus labor basis by the school requesting service. The Petitioner shall waive monthly service charges for any such additional outlets.

- 15) The Petitioner shall provide Preferred cable television service, on one outlet, free of charge, to each of the following municipal buildings: a) police; b) fire; c) emergency management facility; and d) public library in the Township provided that each facility is located within 175 feet of active cable distribution plant. The Township shall pay for each additional outlet installed to any of the above facilities on a materials plus labor basis; however, the Petitioner shall waive monthly service charges for any such additional outlets.
- 16) The Petitioner shall provide free Internet service via high-speed cable modem on one non-networked personal computer in each school in the Township, public and private, elementary, intermediate and secondary, at no charge, provided the facility is within 175 feet of active cable distribution plant. The Township shall pay for each additional outlet installed to any of the above facilities on a materials plus labor basis. Monthly service charges shall apply to all additional outlets.
- 17) The Petitioner shall provide free Internet service via high-speed cable modem on one non-networked personal computer to each of the following municipal buildings: a) police; b) fire; c) emergency management facility; and d) public library in the Township, at no charge, provided the facility is within 175 feet of active cable distribution plant. The Township shall pay for each additional outlet installed to any of the above facilities on a materials plus labor basis. Monthly service charges shall apply to all additional outlets.

Based upon these findings, the Board **HEREBY CONCLUDES** that, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), 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., that the Petitioner 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 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 Township.

This 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 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.

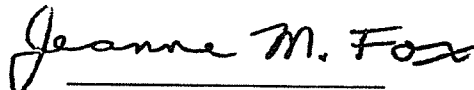
Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

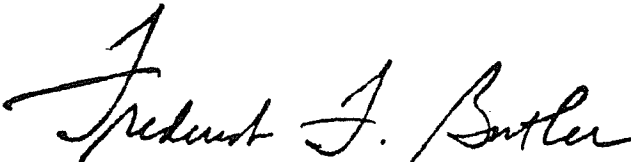
This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained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

This Certificate shall expire March 13, 2020.

DATED: 11/9/07

BOARD OF PUBLIC UTILITIES
BY:

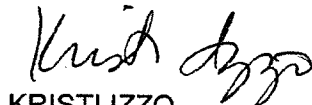

JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

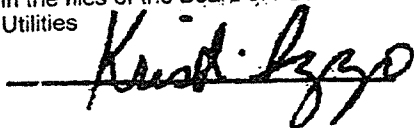

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
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


KRISTI IZZO

APPENDIX "I"

**Office of Cable Television
Line Extension Policy**

Company Comcast of Central New Jersey, LLC
Municipality Township of Monroe

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. $\frac{\text{\# of homes in extension}}{\text{mileage of extension}} = \text{homes per mile (HPM) of extension}$
2. $\frac{\text{HPM of extension}}{\text{Minimum HPM that company actually constructs in the system *}} = \text{ratio of the density of the extension to the minimum density which the company constructs in the system ("A")}$
3. $\text{Total cost of building the extension times "A"} = \text{company's share of extension cost}$
4. $\text{Total cost of building extension less company's share of extension cost} = \text{total amount to be recovered from subscribers}$
5. $\frac{\text{Total amount to be recovered from subs}}{\text{Total subscribers in extension}} = \text{each subscriber's share}$

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 which 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 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 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.

I/M/O the Petition of Comcast of Central New Jersey, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Monroe, County of Middlesex, State of New Jersey

Renewal Certificate of Approval

Docket No. CE05090839

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