STATE OF CALIFORNIA GAVIN NEWSOM

PUBLIC UTILITIES COMMISSION
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SAN FRANCISCO, CA 94102-3298

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Agenda ID# 24352
Alternate to Agenda ID# 24372
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 25-07-016:

Enclosed are the proposed decision of Administrative Law Judge Jamie Ormond and the alternate proposed decision of Commissioner Matthew Baker. The proposed decision and the alternate proposed decision will not appear on the Commission’s agenda sooner than 30 days from the date they are mailed.

Public Utilities (Pub. Util.) Code Section 311(e) requires that the alternate item be accompanied by a digest that clearly explains the substantive revisions to the proposed decision. The digest of the alternate proposed decision is attached.

When the Commission acts on these agenda items, it may adopt all or part of the decision as written, amend or modify them, or set them aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the proposed decision and alternate decision as provided in Pub. Util. Code Sections 311(d)-(e) and in Article 14 of the Commission’s Rules of Practice and Procedure (Rules), accessible on the Commission’s website at www.cpuc.ca.gov. Pursuant to Rule 14.3, opening comments shall not exceed 15 pages.

Comments must be filed pursuant to Rule 1.13 and served in accordance with Rule 1.9 and Rule 1.10. Electronic copies of comments should be sent to Commissioner Matthew Baker’s advisor Manisha Lakhanpal at Manisha.Lakhanpal@cpuc.ca.gov.

The current service list for this proceeding is available on the Commission's website at www.cpuc.ca.gov.

/s/ MICHELLE COOKE

Michelle Cooke
Chief Administrative Law Judge

MLC: asf
Attachment

DIGEST OF DIFFERENCES BETWEEN
THE PROPOSED DECISION OF ADMINISTRATIVE LAW JUDGE JAMIE ORMOND
AND THE ALTERNATE PROPOSED DECISION OF
COMMISSIONER MATTHEW BAKER

Pursuant to Public Utilities Code Section 311(e), this is the digest of the substantive differences between the Proposed Decision of Administrative Law Judge (ALJ) Ormond (mailed on July 9, 2026) and the Alternate Proposed Decision of Commissioner Matthew Baker (also mailed on July 9, 2026).

This alternate proposed decision (APD) of Commissioner Baker differs from the proposed decision (PD) of the administrative law judge in the following respects:

- While the PD grants the indirect transfer of control of Cox California Telcom, LLC (U-5684-C) to Charter Communications, Inc., Charter Communications Holdings, LLC, and Cox Enterprises, Inc., pursuant to Public Utilities (Pub. Util.) Code Section 854, subject to 25 mitigation measures, the APD grants the indirect transfer of control subject to five additional mitigation measures. The APD mitigation measures are similar to the PD mitigation measures covering 72 hour battery backup, customer credit for network outages, and adherence to current laws governing Public, Educational, and Government Access Channels. The APD further imposes mitigation measures covering equipment upgrades and downgrades and a requirement to honor existing "price for life" contracts.
- The PD proposes 20 modifications to the settlement between the Joint Applicants and CETF and the settlement between the Joint Applicants and Cal Advocates. The PD also imposes five additions to the modified settlement covering rental equipment for low income customers, reporting and compliance via a Tier 1 advice letter, a three year deployment requirement of fiber to the home or DOCSIS 4.0, an $8.5 million performance bond, funding of

existing community investment programs at the current level for ten years.

- The APD accepts the settlement between the Joint Applicants and CETF and the settlement between the Joint Applicants and Cal Advocates with minor clarifications of existing terms.
- The APD authorizes Commission staff to draft a Resolution for Commission consideration reflecting an enforcement program that covers compliance with the terms of the mitigation measures as reflected in the Ordering Paragraphs, including, without limitation, the post-merger company's reporting requirements, service quality requirements, infrastructure investment requirements, requests for changes to conditions via a petition for modification, and the terms of any Settlement Agreements.

Decision **ALTERNATE PROPOSED DECISION OF COMMISSIONER MATTHEW BAKER (mailed 7/9/2026)**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joint Application of Charter Communications, Inc., Charter Communications Holdings, LLC, and Cox Enterprises, Inc. for Approval Pursuant to Public Utilities Code Section 854 of the Indirect Transfer of Control of Cox California Telcom, LLC (U5684C).	Application 25-07-016

DECISION GRANTING INDIRECT TRANSFER OF CONTROL SUBJECT TO THE SETTLEMENT AGREEMENTS AND MITIGATION MEASURES

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DECISION GRANTING INDIRECT TRANSFER OF CONTROL SUBJECT TO THE SETTLEMENT AGREEMENTS AND MITIGATION MEASURES

Summary

This decision grants the indirect transfer of control of Cox California Telcom, LLC (U-5684-C) to Charter Communications, Inc., Charter Communications Holdings, LLC, and Cox Enterprises, Inc., pursuant to Public Utilities Code Section 854 and California Public Utilities Commission Rules of Practice and Procedure Article 12 subject to the terms of the two settlement agreements and the required mitigation measures.

This proceeding is closed.

1. Transaction Background

On May 16, 2025, Charter Communications, Inc. (Charter), its subsidiary Charter Holdings, LLC (Charter Holdings), and Cox Enterprises, Inc. (CEI) entered into a transaction agreement that would result in Cox Communications, Inc. (Cox) under the common ownership of Charter and CEI.[1] CEI is the parent company of Cox, the subsidiary to be acquired by Charter. Cox California Telecom, LLC (U-5684-C) (Cox California), is a subsidiary of Cox, and the named company subject to the indirect transfer of control request before the California Public Utilities Commission (Commission). Upon approval, Cox California will become a subsidiary of Charter. Charter, Charter Holdings, CEI, and Cox California are, herein, the Joint Applicants.[2]

Charter is a holding company, and through subsidiary operations, provides broadband, cable, residential, and business services such as internet, video services, mobile wireless services, Voice over Internet Protocol (VoIP),

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[1] Joint Application at 1.

[2] *Id.* at 1.

managed cloud services, security, enterprise internet, networking products, and voice services for enterprise customers, for over 31.2 million customers. Charter has a residential footprint across 41 states, including California, and an even broader reach for its enterprise service offerings.[3]

CEI is a privately held, family corporation and the current ultimate parent company of Cox and its subsidiaries.[4] Cox's subsidiaries operate fiber-optic and hybrid fiber/coaxial cable in 35 states, provide broadband service to residential, small and medium-sized business customers, residential video service, streaming video services platforms, residential and business voice service, mobile voice and data service, and enterprise broadband service across 18 states, including California.[5]

The Joint Applicants assert that the transaction will bring significant public benefits to California, "arising both from its direct effects on the regulated telecommunications services offered by Cox California as well as from the broader combination of Charter and Cox into a combined company."[6] Charter and Charter Holdings provided organizational diagrams depicting the corporate structures post-transaction, as shown below.[7]

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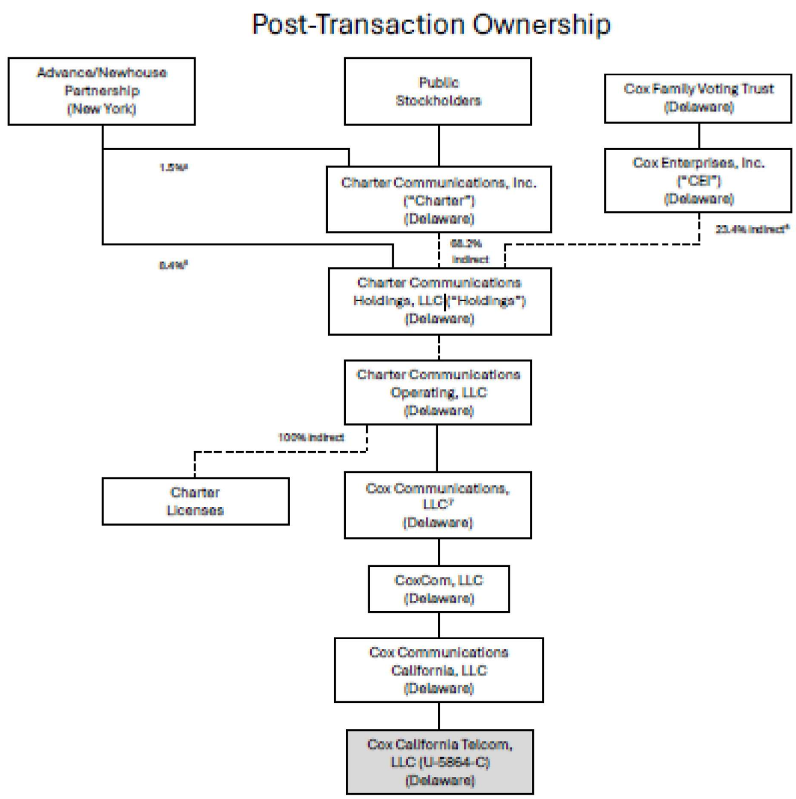
[3] *Id.* at 3-4.

[4] *Id.* at 5.

[5] *Id.*at 5.

[6] *Id.* at 1-2.

[7] Charter Response to Administrative Law Judge Inquiry, October 24, 2025, Post-Closing Corporate Structure Charts at Attachment C-2.



2. Procedural Background

On July 30, 2025, the Joint Applicants filed this application for an indirect transfer of control of Cox California. On September 5, 2025, the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) and, jointly, The Utility Reform Network (TURN) and Center for Accessible Technology (CforAT) protested the application. On September 15, 2025, the Joint Applicants filed a reply to Cal Advocates' and the joint protest of TURN and CforAT.

On October 3, 2025, the assigned Administrative Law Judge (ALJ) held a prehearing conference to determine the parties, positions of the parties, scope and schedule of the proceeding, and other procedural matters.

To assist the Joint Applicants in the task of completing their application, the assigned ALJ also issued five rulings requesting additional information. The rulings requesting additional information were issued on September 5, 2025, October 7, 2025, November 17, 2025, February 13, 2026, and March 18, 2026. Joint Applicants requested and received additional time to respond to the October 7 and the November 17 rulings.

The November 17, 2025 ruling required Joint Applicants to provide the Hart-Scott-Rodino (HSR) federal premerger notification that Joint Applicants filed with the Federal Trade Commission (FTC) and federal Department of Justice (DOJ) in August 2025.[8] The HSR notification provides the FTC and DOJ with information about larger mergers and acquisitions before they occur.

The ALJ granted motions for party status to Media Alliance on November 3, 2025, and California Emerging Technology Fund (CETF) on November 17, 2025.

On December 9, 2025, the assigned Commissioner issued the Scoping Memo and Ruling (Scoping Ruling).

On December 23, 2025, Cal Advocates filed a motion to compel Joint Applicants to produce documents responsive to their outstanding data requests.

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[8] *See* 16 CFR § 803.7(a.) The Hart-Scott-Rodino Act (HSR) established the federal premerger notification program, which provides the FTC and the DOJ with information about large mergers before they occur. The parties to certain proposed transactions must submit premerger notification to the FTC and DOJ. Premerger notification involves completing an HSR Form, with information about each company's business. This is also known as an HSR filing. The parties may not close their deal until the waiting period outlined in the HSR Act has passed, or the government has granted early termination of the waiting period. *See* https://www.ftc.gov/enforcement/premerger-notification-program

In their May 4, 2025, Motion to Modify the Deadlines to Comment on Settlements, Joint Applicants reported that their DOJ HSR clearance period expires on September 15, 2026.

On December 30, 2025, Joint Applicants filed a motion requesting that the Commission amend and clarify the Scoping Ruling and shorten the schedule of the proceeding.

On January 9, 2026, the Cal Advocates' Motion to Compel Discovery was granted, requiring Joint Applicants to produce full, complete, and unredacted responses to Cal Advocates Data Requests within five business days.[9]

On January 16, 2026, Cal Advocates requested extensions of time for some procedural events and the ALJ denied that motion on January 28, 2026.

On February 9, 2026, CforAT filed a second and third motion to compel Joint Applicants to respond to their outstanding discovery requests.

On February 12, 2026, TURN, CforAT, Media Alliance, and Cal Advocates filed a joint motion requesting evidentiary hearings in this proceeding.

On February 19, 2026, Joint Applicants filed separate responses in opposition to CforAT's motions to compel.

During the month of February, the Commission held Public Participation Hearings (PPHs) both virtually and in person in Los Angeles and National City.[10]

On March 2, 2026, the assigned ALJ issued a ruling confirming the dates of the evidentiary hearings, providing instructions for evidentiary hearings and

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[9] Parties are entitled to discovery under the Commission's Rules of Practice and Procedure Article 10: https://www.cpuc.ca.gov/proceedings-and-rulemaking/rules-of-practice-and-procedure.

[10] For more information about the timing and location of past public participation hearings, *see* Administrative Law Judge's Ruling Noticing Public Participation Hearings and Providing Additional Instructions, February 12, 2026. Each PPH was transcribed by court reporters and transcriptions can be found on the Docket Card.

briefs, and shortening the timeline for the filing of opening and reply briefs in this case.

On March 13, 2026, the assigned ALJ granted CforAT's motions to compel discovery.

On April 17, 2026 Joint Applicants, Cal Advocates, and CETF, waived their planned cross examination.

The assigned ALJ denied Stephen Lane's motion for party status on April 6, 2026, and granted Digital Equity Los Angeles's (DELA) motion for party status on April 8, 2026.

The assigned ALJ presided over evidentiary hearings throughout the week of April 20, 2026. The Assigned ALJ granted party status for California Alliance for Digital Equity (CADE), Fresno Coalition for Digital Inclusion (FCDI), The Association for Broadband Without Boundaries, and East Bay Broadband Consortium (EBBC), at the beginning of evidentiary hearings, on the record. Two motions to strike testimony filed by Joint Applicants, and a motion for an order barring testimony, filed by CforAT were also denied on the record.[11]

On May 1, 2026, Joint Applicants and Cal Advocates filed a motion to adopt a settlement agreement (Joint Applicants-Cal Advocates Settlement Agreement). In the motion, Joint Applicants and Cal Advocates agreed that

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[11] Joint Applicants filed Motions to Strike portions of the testimony of Lee Selwyn and Tejas N. Narechania on April 1, 2026.

The Center for Accessible Technology and the Utility Reform Network filed a motion for an order barring Joint Applicants' testimony regarding responses to the assigned Administrative Law Judge's Fifth Ruling on April 14, 2026.

through substantial and lengthy negotiations, they were able to reach agreement on all issues raised by Cal Advocates.[12]

Also on May 1, 2026, Joint Applicants and CETF filed a motion to adopt a separate settlement agreement (Joint Applicants-CETF Settlement Agreement). In the motion, Joint Applicants and CETF indicate that the memorandum of understanding (MOU) developed, "between the parties is the product of substantial and lengthy negotiations, through which the Settling Parties were able to reach an agreement, and reflects the resolution of all concerns raised by CETF in this Proceeding."[13]

On May 4, 2026, Joint Applicants filed a motion requesting modification to the deadline to submit comments on the Joint Applicants-Cal Advocates Settlement Agreement and the Joint Applicants-CETF Settlement Agreement (collectively the "Settlement Agreements"). On May 7, 2026, TURN and CforAT filed a joint response to the motion requesting modification to settlement comment deadlines. On May 8, 2026, Media Alliance filed an opposition to the motion.

The assigned ALJ denied Stephen Lane's motion for limited party status on May 14, 2026.

On May 22, 2026, opening briefs were filed by Cal Advocates; CETF; Joint Advocates (CforAT, CADE, DELA, EBBC, and FCDI); Joint Applicants; Media Alliance; and TURN.

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[12] Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement, May 1, 2026 at 1.

[13] Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement, May 1, 2026 at 1.

On June 1, 2026, CforAT; Joint Advocates (CADE, EBBC, FCDI, and Media Alliance); and TURN filed comments on the two individual party settlement agreements.

The assigned ALJ granted the National Institute for Workers' Rights motion for party status on June 4, 2026

On June 5, 2026, reply briefs were filed by CETF; Joint Advocates (CforAT, CADE, DELA, EBBC, FCDI, and Media Alliance); Joint Applicants; and TURN.

On June 5, 2026, The Association for Broadband Without Boundaries moved to withdraw as a party to the proceeding.

On June 9, 2026, CforAT filed a motion to strike portions of Joint Applicants' opening and reply briefs, the entirety of CETF's opening and reply briefs, and the entirety of Cal Advocates' opening brief.

On June 16, 2026, parties filed reply comments on the settlement agreements.

On June 17, 2026, the Joint Applicants filed a motion to strike portions of Joint Advocates' and Media Alliance's briefs.

On June 19, 2026, Joint Applicants filed a response to CforAT's motion to strike.

On June 22, 2026, Media Alliance filed an opposition to Joint Applicants' motion to strike.

On June 24, 2026, Cal Advocates filed a response to CforAT's motion to strike the entirety of Cal Advocates' opening brief.

3. Submission Date

This matter was submitted on June 24, 2026, upon Cal Advocates' filing of their response to CforAT's Motion to Strike the entirety of Cal Advocates' opening brief.

4. Jurisdiction

The Commission has authority to review transfers of control for telephone corporations pursuant to Public Utilities (Pub. Util.) Code Section 854. Specifically, Pub. Util. Code Section 854 prohibits a corporation, whether organized under the laws of this state or not, from indirectly merging, acquiring, or controlling, any public utility doing business in California without first securing authorization from the Commission. Cox California is a telephone corporation and public utility under the regulatory jurisdiction of the Commission.[14] Because the transaction agreement would result in the indirect transfer of Cox California, as a subsidiary of Cox, to the common ownership of Charter and CEI, the Commission has jurisdiction to review Joint Applicants' application.

5. Issues Before the Commission

The issues to be determined or otherwise considered are:

1. Whether the application meets the requirements of Pub. Util. Code Section 854.
2. Whether granting the application impacts environmental and social justice (ESJ) communities, including the extent to which the transfer may impact the achievement of any of the nine goals of the Commission's ESJ Action Plan.
3. Whether granting the application impacts public safety.

6. Public Participation Hearings and Comment

During the month of February 2026, the Commission held PPHs both virtually and in person in Los Angeles and National City. Members of the public at the PPHs supported the transaction, expecting it would bring public benefits

[14] *See, e.g.,* D.96-09-074 (granting Cox California a certificate of public convenience and necessity to operate as a competitive local carrier in California and assigning Cox California a corporate identification number of U-5864-C).

such as bill reductions, outage reimbursements, and high-quality internet access to unserved communities, thereby unlocking educational, health, and economic potential. Some public commenters demanded that the Commission ensure the merged company delivers these benefits, connects underserved areas, and offers nondiscriminatory pricing. They also noted that current rules require dropping internet plans for 30 days to qualify for low-income plans, criticized the inadequate treatment of PEG channels, and highlighted how the Joint Applicants engaged with communities and invested in beneficial programs and community organizations.

The Commission also received 749 comments on the Docket Card for this proceeding. Written comments were also similar to those presented by members of the public at the PPHs.

The Commission thanks the members of the public who participated in the hearings and provided clarity as to their expected outcomes of this proceeding.

7. Application of Section 854(a)-(c)

Based on the analysis below, we consider Pub. Util. Code Section 854(a)-(c) when assessing whether to grant the application.

7.1. Background

Section 854(a) states that:

> A corporation, whether or not organized under the laws of California, shall not directly or indirectly merge, acquire, or control … any public utility organized and doing business in California without first securing authorization to do so from the commission. The commission may establish, by order or rule, the definitions of what constitutes a merger, acquisition, or control activity that is subject to this section.

No party has argued that the Joint Applicants have undertaken the proposed transaction without prior authorization, and we agree with this assessment. Rather, the parties dispute whether the Commission should review the application under Pub. Util. Code Section 854(a) alone,[15] or whether the Commission should also analyze the application under sub-parts (b) and (c) of Pub. Util. Code Section 854.[16]

Section 854(b) states, in relevant part, that:

> Before authorizing the merger, acquisition, or control of any electrical, gas or telephone corporation organized and doing business in this state, if any utility that is a part to the proposed transaction has gross annual California revenues exceeding $500 million, the Commission shall find that the proposal does all of the following:
>
> (1) Provide short-term and long-term economic benefits to ratepayers.
>
> …
>
> (3) Not adversely affect competition. In making this finding, the commission shall request an advisory opinion from the Attorney General regarding whether competition will be adversely affected and what mitigation measures could be adopted to avoid this result.

With respect to Section 854(b)(3), the Commission sought and received such an advisory opinion. The Attorney General declined to provide a formal opinion.

Section 854(c) states:

> Before authorizing the merger, acquisition, or control of any electrical, gas, or telephone corporation organized and doing business in this state, if any entity that is a party to the proposed transaction has gross annual California revenues exceeding five

[15] Joint Applicants' Post-Hearing Opening Brief at 6-7 and Opening Brief of California Emerging Technology Fund at 6.

[16] Opening Brief of Center for Accessible Technology, California Alliance for Digital Equity, Digital Equity Los Angeles, East Bay Broadband Consortium, and Fresno Coalition for Digital Inclusion (Opening Brief of Joint Advocates) at 6-7, Opening Brief of the Public Advocates Office at 10, and Opening Brief of Media Alliance to Joint Applicants Application at 14.

> hundred million dollars ($500,000,000), the commission shall consider each of the criteria listed in paragraphs (1) to (8) inclusive, and find, on balance, that the merger, acquisition, or control proposal is in the public interest.
>
> (1) Maintain or improve the financial condition of the resulting public utility doing business in the state.
>
> (2) Maintain or improve the quality of service to public utility ratepayers in the state.
>
> (3) Maintain or improve the quality of management of the resulting public utility doing business in the state.
>
> (4) Be fair and reasonable to affected public utility employees, including both union and nonunion employees.
>
> (5) Be fair and reasonable to the majority of all affected public utility shareholders.
>
> (6) Be beneficial on an overall basis to state and local economies and to the communities in the area served by the resulting public utility.
>
> (7) Preserve the jurisdiction of the commission and the capacity of the commission to effectively regulate and audit public utility operations in the state.
>
> (8) Provide mitigation measures to prevent significant adverse consequences that may result.

The purpose of Pub. Util. Code Section 854 is to enable the Commission, before any transfer of public utility authority is consummated, to review the proposal and to take such action, as a condition of the transfer, as the public interest may require.[17] The Commission has broad discretion under Pub Util. Code Section 854 to approve or reject a proposed transaction.

7.2. Joint Applicants

Joint Applicants assert that Pub. Util. Code Section 854(b) and (c) do not apply to the transfer because the transaction is taking place at the holding

[17] *See* D.02-11-051.

company level and the only utility impacted by the transfer is Cox California.[18] According to Joint Applicants, Cox California has gross annual revenues below the $500 million threshold making Section 854(b) inapplicable. Similarly, the Joint Applicants state that Section 854(c) is inapplicable because the Joint Applicants that are parties to the proposed transaction — Charter, Charter Holdings, and CEI — are holding companies that do not generate California revenue and, even if they did, the Commission has significant flexibility to review the application without applying Section 854(c).[19]

7.3. Cal Advocates

Cal Advocates argues that Pub. Util. Code Section 854(b) and (c) should apply.[20] Regarding Section 854(b), Cal Advocates recommends that the Commission evaluate Cox California's revenue, as well as Cox because excluding one of the largest broadband and video services providers in the state "would be illogical," since Joint Applicants discuss the benefits of the transaction associated with both broadband and video.[21] Additionally, the Commission must ensure that the public interest benefits of an application are properly vetted and ensured, even when a merger is structured at the holding company level. The alternatively would render Section 854 meaningless because mergers would then always take place at the holding company level, rather than at the utility level, to evade public impact scrutiny.[22]

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[18] Application at 12-13.

[19] *Id.* at 13.

[20] PHC Transcript at 18:15-17.

[21] PHC Transcript at 18:3-11.

[22] *Id.* at 24-25:23-5.

Regarding Section 854(c), Cal Advocates put forward legal authority supporting the argument that Section 854(c) is applicable even if the holding companies at the top of the transaction do not collect California revenue.[23]

7.4. CETF

CETF asserts that the appropriate standard of review for this transfer of control is Pub. Util. Code Section 854(a). Throughout the proceeding, CETF advocated for a robust public interest analysis under Pub. Util. Code Section 854, with appropriate, fair, and comparable benefits as required in other telecommunications transfers of control. CEFT urged the Commission to determine whether the resulting transaction affirmatively produced measurable, verifiable, and enforceable public benefits for customers. [24]

7.5. TURN

TURN acknowledges that the Commission has broad authority to examine transactions under Pub. Util. Code Section 854(a) alone.[25] However, TURN also argues that the Commission should give no weight to the conclusion that only Pub. Util. Code Section 854(a) applies.[26] To TURN, because the transaction is subject to Section 854(a)-(c), as well as other scoped issues, the Commission should balance the output of the review across the subjects to determine if it meets the standard.

7.6. CforAT

CforAT states that the Commission looking at an application through the 854(a)-(c) factors does not equate to the Commission's ability to impose

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[23] *Id.* at 16-17.

[24] Opening Brief of California Emerging Technology Fund at 6.

[25] Opening Brief of TURN at 4.

[26] Opening Brief of TURN at 3-4.

conditions related to every topic under that examination.[27] CforAT urges the Commission to consider the revenues of Cox's affiliates when determining whether to apply Section 854(b) and (c).[28] According to CforAt, "it is entirely possible that Cox alone has annual revenue exceeding $500 million in California."[29] According to CforAT, Cox, not Cox California, could meet the revenue threshold and make Section 854(b) and (c) applicable.[30]

7.7. Discussion

We find that it is appropriate to consider all of the various factors in Pub. Util. Code Section 854(a)-(c) when reviewing the application. Pursuant to the prehearing conference discussion, the broad language of the Scoping Ruling, and parties' testimony and briefs, parties have had notice that we may consider Section 854(b) and (c), as well as (a). Moreover, we have the authority to consider Section (b) and (c).

In Decision (D.) 97-03-067, the Commission found that, "[a] broader, rather than technically narrow interpretation of § 854(b) is consistent with § 854(e) since § 854(e) places the burden of proving compliance with § 854(b) on the person or corporation seeking acquisition or control of the public utility, not solely on the utility."[31] The Commission has consistently operated under the presumption,

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[27] PHC Transcript at 24:5-10.

[28] Opening Brief of Joint Advocates at 7.

[29] *Id.*

[30] Reply Brief of Center for Accessible Technology, California Alliance for Digital Equity, Digital Equity Los Angeles, East Bay Broadband Consortium, Fresno Coalition for Digital Inclusion and Media Alliance (Reply Brief of Joint Applicants) at n.70.: Joint Applicants attempt to rebut Joint Advocates by stating that evidence submitted by Cox showed that Cox California does not meet the revenue threshold. This misses the point – that Cox, not Cox California, meets the revenue threshold.

[31] D.97-03-067 at 13.

that where a non-utility, non-party is a "key to the merger" and involved in many of the economic benefits in an application, the party's revenues can be considered under Section 854(b).[32] Here, that presumption applies to Cox's revenues, which exceed $500 million in California annually.[33]

Similarly, Section 854(c) would apply because the entities that are party to the proposed transaction —Charter, Charter Holdings, CEI, and Cox —have gross annual California revenues exceeding $500 million.[34]

8. Section 854(a) Requirements

First, we consider whether the application satisfies the requirements of Pub. Util. Code Section 854(a).

8.1. Joint Applicants

Joint Applicants assert that a transfer of control satisfies Pub. Util. Code Section 854(a) if, on balance, it is not, "adverse to the public interest."[35] Joint Applicants additionally note that when the Commission has previously approved transfers of control, the Commission has reasoned that Pub. Util. Code Section 854(a) transactions, "should be approved absent a compelling reason to the contrary."[36]

Joint Applicants assert that the transfer satisfies any public interest standard under Pub. Util. Code Section 854 because the record demonstrates that the transfer, considered with the Settlements Agreements' commitments made to

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[32] *Id*. at 12.

[33] Response to ALJ Inquiry, September 15, 2025, at Attachment 1. Opening Brief of Joint Advocates at 7.

[34] Response to ALJ Inquiry, September 15, 2025.

[35] Joint Applicant' Post Hearing Opening Brief at 7.

[36] *Id*.

Cal Advocates and CETF produces public interest benefits without transaction-specific harms.[37] Settlement Agreements are discussed further, below.

8.2. Cal Advocates

Cal Advocates asserts that the Joint Applicant-Cal Advocates Settlement Agreement satisfies the public interest requirements of Pub. Util. Code Section 854(a).[38] The Joint Applicant-Cal Advocates Settlement Agreement is considered in more detail below.

8.3. CETF

CETF argues that the Joint Applicant-CETF Settlement Agreement will provide the enforceable commitments necessary to find the transaction in the public interest.[39] The Joint Applicant-CETF Settlement Agreement is considered in more detail below.

8.4. TURN

TURN states that the application does not meet the requirements of Pub. Util. Code Section 854(a). TURN argues that the Commission should reject the proposed transaction for failing to meet the standard of Pub. Util. Code Section 854(a), or alternatively, recommends that the Commission adopt conditions and mitigation measures if it does approve the proposed transaction.[40]

8.5. Joint Advocates (CforAT, CADE, DELA, EBBC, FCDI)

The Joint Advocates indicate that the application fails to meet the standard of Pub. Util. Code Section 854(a) because it fails to address the fact that any

[37] Joint Applicants' Post Hearing Opening Brief at 9.

[38] Opening Brief of the Public Advocates Office at 11.

[39] Opening Brief of California Emerging Technology Fund at 6.

[40] Opening Brief of the Utility Reform Network at 5.

potential harms from the proposed transaction will disproportionately impact people with disabilities, people of color, and low-income households.[41] Additionally, the Joint Advocates assert that the application fails to demonstrate how transaction benefits will flow directly to, "historically underserved customers, or, for that matter, any customers."[42] Finally, the Joint Advocates voice concern that the post-merger company is sacrificing their, "long-claimed commitments to diversity, equity, and inclusion on the altar of profit."[43] The Joint Advocates encourage the Commission to deny the Joint Application.[44]

8.6. Discussion

As stated above, no party argued that the Joint Applicants have undertaken the proposed transaction without prior authorization in violation of Pub. Util. Code Section 854(a), and we agree with this assessment. Therefore, the Joint Applicants have satisfied this basic requirement of Section 854(a).

9. Section 854(b) Requirements

Next, we consider whether the application satisfies the elements of Pub. Util. Code Section 854(b).

9.1. Joint Applicants

Joint Applicants argue that the record shows that the transaction will "[p]rovide short-term and long-term economic benefits" to customers and shareholders and will "[n]ot adversely affect competition" as required by Section 854(b).[45]

[41] Opening Brief of Joint Advocates at 13.

[42] *Id.* at 13.

[43] *Id.* at 48.

[44] *Id.* at 48.

[45] Joint Applicants Post Hearing Opening Brief at 8.

With regards to short-term and long-term benefits required by Section 854(b)(1), Joint Applicants indicate that customers in the current Cox territory will gain access to all of the advanced telecommunications services provided by the post-merger company.[46] Specifically, the Joint Applicants assert that the post-merger company will be incentivized to provide broadband based benefits to customers, including faster broadband and tailored customer enterprise equipment, and will improve mobile service options for customers across its footprint.[47]

With regards to pricing, Joint Applicants offer their witness' testimony that the post-merger company's "efficiency-related cost-savings will incentivize more competitive pricing across product service offerings as 'a profit- maximizing firm is incentivized' to 'pass through lower marginal costs in the form of lower prices or higher quality because doing so increases profit.'"[48]

Joint Applicants offer that the larger company will be more able to compete with rival national companies, thus enabling it to better compete especially in the commercial enterprise marketplace, expanding competition.[49] The Joint Applicants together will be able to offer their enterprise services at lower prices when they no longer having to bill for a subcontracting firm and again for the firm holding the customer relationship, resulting in lower prices.[50]

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[46] *Id.* at 30.

[47] Joint Application at 29.

[48] Joint Applicants' Post-Hearing Opening Brief at 24.

[49] *Id.* at 19-20.

[50] *Id.* at 20.

Joint Applicants also highlight the post-merger company's ability to promote video competition and consumer choice because customers will have access to innovative and competitive video products.[51]

Joint Applicants assert that Charter and Cox do not compete because of their non-overlapping footprint and when the two companies merge, there will not be a material reduction in customer options.[52]

Joint Applicants' settlement positions will be considered below.

9.2. Cal Advocates

Cal Advocates contends that the Joint Application, in concert with the Joint Applicants-Cal Advocates Settlement Agreement, meets Section 854(b)(1)'s requirements, which necessitate that the transaction provide short-term and long-term economic benefits to customers. The Joint Applicant-Cal Advocates Settlement Agreement provides affordable high-speed broadband services to low-income Californians for a five-year period and caps post-merger Charter's promotional pricing for a three-year period. Cal Advocates thus argues that the terms of the Joint Applicant-Cal Advocates Settlement Agreement ensures that the transaction provides short-term and long-term economic benefits to customers, as required by Section 854(b)(1).[53]

The Joint Applicant-Cal Advocates Settlement Agreement, as noted above, will be discussed in detail below.

9.3. CETF

CETF states that the Joint Application, in concert with the Joint Applicant-CETF Settlement Agreement, meets the standard of Pub. Util. Code Section

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[51] Joint Application at 29.

[52] Joint Applicants' Post-Hearing Opening Brief at 26-27.

[53] Opening Brief of Public Advocates Office at 12-13.

854(b). CETF argues that the evidentiary record contains concrete, measurable, and enforceable obligations, supported by deployment milestones, reporting requirements, annual accountability measures, performance guarantees, and consumer protection reforms contained in the Joint Applicant-CETF Settlement Agreement.[54] The Joint Applicant-CETF Settlement Agreement, as noted above, will be discussed in detail below.

9.4. TURN

TURN argues that the Commission ought to deny the proposed transaction under Pub. Util. Code Section 854(b).

In consideration of Pub. Util Code Section 854(b)(1), TURN argues that absent mitigation measures, the application fails to provide the short-term and long-term benefits. TURN cited Charter's opaque bundling and promotional practices, discriminatory pricing practices, Charter's practice of upselling, reduced access to low-income service offerings, and lack of infrastructure deployment in Joint Applicants' service territories.[55]

In consideration of Section 854(b)(3), TURN argues that the application does not contain specific, concrete, and measurable commitments in these areas to determine that the transaction on its face will not adversely impact competition.[56]

TURN argues that the application on its face does not meet the requirements of Pub. Util. Code Section 854(b) unless the Commission crafts

[54] Opening Brief of California Emerging Technology Fund at 6-7.

[55] Opening Brief of TURN at 5.

[56] Opening Brief of TURN at 25

mitigation measures to implement measurable, reportable, and enforceable public benefits.

9.5. Joint Advocates (CforAT, CADE, DELA, EBBC, FCDI)

Joint Advocates assert that the application alone would not meet the standard of Pub. Util. Code Section 854(b).

With respect to Section 854(b)(1)'s short-term and long-term economic benefits, Joint Advocates argue that while Joint Applicants claim that a post-merger company will create incentives for the company to take action to deliver better value at lower prices to consumers in the short- and long-term, the Joint Applicants make no commitment to do so.[57]

With respect to Section 854(b)(3)'s requirement that the transaction not adversely impact competition, Joint Advocates argue that the Joint Applicants have not met their burden of proof. Joint Advocates highlight that Joint Applicants compete in the same product market even where service territories don't overlap. The merger, then, will reduce this competition when the two companies become one and the choice between companies no longer exists.[58]

9.6. Discussion

We find that the Joint Application, when paired with the Settlement Agreements and additional mitigation measures discussed below, satisfies the conditions of Pub. Util. Code Section 854(b). The Joint Application, along with the Settlement Agreements and additional mitigation measures, demonstrate that the transaction will provide customer benefits like pricing, participation in

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[57] Joint Advocates Reply Brief at 12.

[58] *Id.* at 17-18.

low-income programs, and investment commitments, with measurable, reportable commitments.

With respect to Section 854(b)(3), the Commission sought and received an advisory opinion from the Attorney General, as directed. In an email dated June 2, 2026, the Office of the Attorney General advised: "Based on our review of available information, the Antitrust Section does not have competition-related concerns about the Charter-Cox transaction."[59]

The Commission will consider the Settlement Agreements and further mitigation measures below.

10. Section 854(c) Requirements

Next we consider whether the application satisfies the elements of Pub. Util. Code Section 854(c).

10.1. Joint Applicants

Joint Applicants argue that this transaction satisfies the requirements of Sections 854(c) and request approval of the transfer under any Section 854(c) subparts that the Commission applies to its review of the Joint Application.[60]

Under Section 854(c)(1), Joint Applicants claim that the transaction will strengthen the post-merger company's position as, "an investor and innovator in broadband, mobile, video, voice, and enterprise services, delivering better options and more competitive pricing across the range of products offered to California consumers and businesses."[61]

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[59] E-mail from Brian Wang, Deputy Attorney General, Office of the Attorney General of California, to Ella Krainsky, Legal Division, California Public Utilities Commission (June 2, 2026, 17:07 PST).

[60] Joint Applicants Post-Hearing Opening Brief at 7.

[61] Joint Application at 15.

Under Section 854(c)(2), Joint Applicants indicate that the transaction will provide additional scale, create synergies and operating efficiencies that will lead to lower costs, greater benefits across Charter's products and services, including voice, enterprise, broadband, mobile, and video, and increased public safety benefits and resiliency to serve the post-merger company's' customers.[62] The Joint Application indicates that the transaction will accelerate investment and upgrades to its network, "leverage economies of scale to make more efficient network upgrade investments and overcome technical limitations and higher costs."[63]

Under Section 854(c)(3), Joint Applicants argue that the post-merger management team has decades of experience and in-depth knowledge of the intricacies of communications, broadband, multichannel video programming distribution, and enterprise businesses.[64]

Under Section 854(c)(4), Joint Applicants raise their workforce investments, including training and benefits, and US-based employment commitment. [65]

Under Section 854(c)(5), the Joint Applicants' boards of directors have concluded that the transaction is in the best interest of shareholders. Cox California is a wholly owned subsidiary of a privately held, family-owned company.[66]

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[62] *Id.* at 35.

[63] *Id.* at 25.

[64] *Id.* at 35.

[65] *Id.*

[66] *Id.* at 37.

Under Section 854(c)(6), Joint Applicants share that the post-merger company will "generate substantial pro-consumer and pro-competitive benefits, including accelerated deployment of advanced technology, increased pressure on markets to keep prices lower, workforce development benefits and significant investments in advancement for employees of the combined company, and improved service, product value and customer service."[67] Joint Applicants, through their subsidiaries, are leading cable operators across the country and in California and indicate in their Joint Application that the post-merger company will be able to offer better cable service to customers across its footprint.[68]

Joint Applicants argue that the transaction will "[b]e beneficial on an overall basis to state and local economies and to the communities in the area served by" the combined company, by "[m]aintain[ing] or improv[ing]" elements such as the financial condition of Cox California, the quality of service to customers, the quality of management, the treatment of employees, and the impact on shareholders, while preserving the Commission's jurisdiction as required by Section 854(c).[69]

10.2. Cal Advocates

Cal Advocates asserts that by adopting the Joint Applicants-Cal Advocates Settlement Agreement, the Commission will ensure that the transaction meets the requirements of Pub. Util. Code Section 854(c). Cal Advocates states that through the implementation of the Joint Applicants-Cal Advocates Settlement Agreement, the transaction will satisfy Pub. Util. Code Section 854(c)(6).[70]

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[67] Joint Application at 38.

[68] *Id.* at 29.

[69] Joint Applicants' Post-Hearing Opening Brief at 8-9.

[70] Opening Brief of Public Advocates Office at 13.

The Joint Applicants-Cal Advocates Settlement Agreement will be reviewed below.

10.3. CETF

CETF cautions that it has frank concerns that if other parties suggest additional requirements for consideration under Pub. Util. Code Section 854(c)(8), additional conditions, "may dilute, modify delay or interfere with the many benefits achieved by CETF."[71]

CETF acknowledges, however, that the Commission has authority to consider additional mitigation measures, but indicates that with the Joint Applicant/ CETF single party settlement agreement, the record supports immediate approval of the transaction.

10.4. TURN

TURN argues that the Joint Application has not shown that the proposed transaction will improve service quality, will improve quality of management, is fair and reasonable to affected employees, is likely to create jobs in California, provide employee benefits, protects employee diversity, will positively impact state and local economies, and protect Commission jurisdiction. [72]

On balance, TURN argues that the transaction fails the test of Section 854(c) and proposes a variety of mitigation measures for further discussion below.

10.5. Joint Advocates

Joint Advocates express concern that the application does not meet the standard of Section 854(c). Joint Applicants make great efforts to note that should the proposed transaction be approved, the post-merger company would

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[71] CETF Reply Brief at 13.

[72] Opening Brief of TURN at 37-38.

be incentivized to do certain things that would be in the public interest. However, Joint Advocates assert that the incentive is not measurable. [73] Therefore, the Joint Advocates argue that the Joint Applicants fail to commit to take the incentivized actions to benefit the public interest.[74]

10.6. Media Alliance

Media Alliance argues that, due to past issues with the Joint Applicants treatment of Public, Educational, and Government-Access (PEG) channels proposed transaction would not be beneficial on an overall basis to state and local economies and to the communities in the area served by the resulting public utility, as required by Pub. Util. Code Section 854(c)(6).[75]

10.7. Discussion

We find that the Joint Application, when paired with the Settlement Agreements and additional mitigation measures discussed below, satisfies the conditions of Pub. Util. Code Section 854(c). We find the Joint Applicants and Cal Advocates arguments in this regard compelling. We are also moved by Media Alliance's arguments and will discuss mitigation measures to address its concerns below.

11. ESJ Action Plan

Here we consider whether granting the application impacts ESJ communities, including the extent to which the transfer may impact the achievement of any of the nine goals of the Commission's ESJ Action Plan.[76]

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[73] Reply Brief of Joint Advocates at 15.

[74] *Id.* at 9.

[75] Opening Brief of Media Alliance at 16.

[76] *See,* California Public Utilities Commission, Environmental & Social Justice Action Plan Version 2.0, April 7, 2022. Available at: https://www.cpuc.ca.gov/-/media/cpuc-

Footnote continued on next page.

Specifically, we assess the application's adherence to the following ESJ Action Plan goals:

- Goal 3: Strive to improve access to high-quality communications services for ESJ communities
- Goal 5: Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the Commission's decision-making process and benefit from Commission programs
- Goal 6: Enhance enforcement to ensure safety and consumer protection for all, especially for ESJ communities
- Goal 7: Promote high road career paths and economic opportunities for residents of ESJ communities

11.1. Joint Applicants

Joint Applicants contend that the goals of ESJ Action Plan are advanced via the standard business practices of Joint Applicants and through the price benefits of the larger post-merger company.

To Goal 3.4, extend essential communications services to ESJ communities, ensure implementation of new investments that offer ESJ communities' access to essential communications services at affordable rates:

Joint Applicants currently offer affordable broadband (Spectrum Internet Assist (SIA)) to low-income customers across its footprint. The post-merger company intends to enable access to SIA more broadly, "even if customers have not qualified for a low-income option before."[77] Joint Applicants indicate that customers in ESJ communities currently benefit from the affordable prices that

website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf.

[77] Joint Applicants Opening Brief at 36.

Charter maintains through its service areas and post-merger, their low residential rates will ensure affordable service across an even greater footprint.

Additionally, Joint Applicants affirm that identified ESJ communities already benefit from Joint Applicants' philanthropic efforts which, "[P]romote career paths, digital literacy, and economic opportunity. . . including the Loan Fund, Spectrum Community Center Assist, and the Broadband Field Technician Apprenticeship Program."[78] The post-merger company would have the capacity to expand access to programs that bolster digital literacy and economic opportunity to communications services for those who would not have previously had it, including ESJ communities.

The Joint Applicants do not directly address low-income or Tribal engagement in their initial application, but consistently reaffirm, through their other documents, a commitment to maintaining philanthropic programs and low-income offerings to benefit ESJ communities broadly.

11.2. Cal Advocates

Cal Advocates argues that the terms of the Joint Applicant-Cal Advocates Settlement Agreement meet the goals of the ESJ Action Plan.[79]

The Joint Applicant-Cal Advocates Settlement Agreement will be considered below.

11.3. CETF

CETF argues that the terms of the Joint Applicant-CETF Settlement Agreement meets the goals of the ESJ Action Plan.[80]

The Joint Applicant-CETF Settlement Agreement will be considered below.

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[78] Joint Applicants Post Hearing Reply Brief at 30-31.

[79] Opening Brief of Cal Advocates at 13-14.

[80] Opening Brief of California Emerging Technologies Fund at 19-22.

11.4. TURN

TURN argues that the Joint Applicants provided general information on Commission programs and relied on past philanthropic activities, while failing to include measurable Diversity Equity and Inclusion (DEI) commitments.[81]

TURN argues that Joint Applicants' consideration of the post-merger company's impact on Tribes lacks the robust engagement expected of a transaction considering the goals of the Commission's ESJ Action Plan.[82]

11.5. Media Alliance

According to Media Alliance, there is a significant overlap between low-income Californians, ESJ communities, and those who lack of access to highspeed broadband, devices, and necessary additional resources, and legacy cable customers.[83] Media Alliance explains that public benefit channels provide local news, training and equipment, and civic information, as a trusted and known messenger in local communities.[84] Media Alliance reminds the Commission that in order to take advantage of streaming services, a customer needs a high-speed broadband connection, a device, and an amount of tech-savvy (some English fluency is also helpful).[85]

Media Alliance reminds the Commission that the Joint Applicants are among the largest providers of cable service in California and indicate that Joint Applicants advocate that the post-merger company will enable the provision of better cable and video services. To ensure that the transaction achieves requisite

[81] TURN Opening Brief at 40-41.

[82] TURN Opening Brief at 44.

[83] Opening Brief of Media Alliance at 6-7.

[84] Media Alliance Opening Brief at 7.

[85] Media Alliance Opening Brief at 6.

public benefit on balance, mitigation measures should be added so PEG channels continue to receive the benefits of the law and that local ESJ communities are not left behind.[86]

Mitigation measures will be considered under Section 854(c)(8) below.

11.6. Joint Advocates

The Joint Advocates, such as CforAT, Media Alliance, CADE, FCDI, DELA, and EBBC, discuss shortcomings of the application related to ESJ communities. Specifically, the Joint Advocates echo TURN's frustration with the Joint Applicants' witness and their lack of fluency with the ESJ Action Plan.[87]

11.7. Discussion

The Joint Application benefits ESJ communities with the programs offered when combined with the Settlement Agreements and the additional mitigation measures discussed below.

Joint Applicants state that all customers across the post-merger company footprint will become eligible for the low-income program currently offered. The post-merger company will have approximately 397,000 households in Charter's service area and 32,000 households in Cox's service area with low-income eligible customers.[88]

Customers across the post-merger company footprint generally will reap the benefits of low-income service offerings, not just the Cox California customers, the utility subject to this indirect transfer.

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[86] Opening Brief of Media Alliance at 13.

[87] Opening Brief of Joint Advocates at 14.

[88] Opening Brief of the Cal Advocates at 5.

Philanthropic benefits include promotion of digital literacy, access to the Loan Fund, and workforce benefits to promote career paths including the Broadband Field Technician Apprenticeship program.

12. Public Safety

We must also consider whether granting the application impacts public safety, either positively or negatively.

12.1. Joint Applicants

Joint Applicants share that the post-merger company will improve public safety and communications resiliency during natural disasters and emergencies by having access to a larger pool of personnel and critical equipment distributed across the larger post-merger company footprint, redundant network routes to increase resilience and minimize service disruptions, and provide enterprise-grade cloud backup and disaster recovery service solutions to critical institutions and businesses throughout post-merger company footprint. A post-merger company's increase in size and geographic footprint will provide continuity and security of essential operations during and after emergencies.[89]

12.2. Cal Advocates

Cal Advocates defers the question of public safety to other Commission proceedings.[90]

12.3. CETF

CETF cites the commitments to deploy reliable broadband infrastructure in the Joint Applicants-CETF Settlement Agreement as a demonstrated improvement to public safety.[91]

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[89] Joint Application at 20-21.

[90] Opening Brief of Cal Advocates at 14-16.

[91] Opening Brief of CETF at 22-24.

12.4. TURN

TURN highlights that the Joint Applicants state that the larger company will have additional access to workforce and equipment to reconnect customers after disaster. However, TURN suggests that the post-merger company could take additional steps to increase the safety and resilience of customer premises across the entire footprint, especially for customers who cannot afford to do so on their own.[92]

12.5. Joint Advocates

The Joint Advocates also indicate that the application describes some of the Joint Applicants' commitments to restoration of service for disaster impacted customers, a public safety feature.[93] Additionally, the Joint Advocates assert that the Joint Applicants fails to engage with the question of PEG channel treatment by the post-merger company, showing a lack of commitment to the needs of local communities.[94] The lack of commitments prevents the Joint Advocates from determining that the transaction improves public safety.

12.6. Discussion

The Joint Application, in concert with the Settlement Agreements, go a long way to addressing public safety concerns, but further mitigation measures are needed.

Those mitigation measures will be considered under Section 854(c)(8) below.

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[92] Opening Brief of TURN at 49.

[93] CforAT, Media Alliance, CADE, FCDI, DELA, EBBC, (Joint Advocates) Reply Brief at 19.

[94] Joint Advocates Reply Brief at 20. Joint Applicants do engage with Media Alliance in a Motion to Strike Media Alliance's Briefs, filed June 17, 2026.

13. Settlement Agreements

On May 1, 2026, Joint Applicants and Cal Advocates filed a Joint Motion for Adoption of Settlement Agreement. The Joint Motion indicated that Joint Applicants and Cal Advocates came to a settlement position after "substantial and lengthy negotiations." Joint Applicants and Cal Advocates request that the Commission adopt the Joint Applicants-Cal Advocates Settlement Agreement in its entirety as a resolution of the issues raised by Cal Advocates in the proceeding.

On May 1, 2026, Joint Applicants and CETF filed a Joint Motion requesting that the Commission adopt the Joint Applicants-CETF Settlement Agreement. The Joint Motion indicated that the Joint Applicants-CETF Settlement Agreement was achieved through substantial and lengthy negotiations and an agreement was reached on all concerns raised by CETF in the proceeding. [95]

13.1. Joint Applicants and Cal Advocates

According to the Joint Motion, the Joint Applicants-Cal Advocates Settlement Agreement directly addresses the issues Cal Advocates raised in the proceeding. Joint Applicants and Cal Advocates state that they made commitments about broadband affordability and adoption, advertising of low-income offers, promotional pricing practices, public safety, resiliency, and broadband adoption reporting.[96]

Among other commitments, the Joint Applicants committed to offer all new and existing low-income customers across the service footprint four new

[95] Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 1-2.
[96] Joint Motion of Charter and the Public Advocates Office for Adoption of Settlement Agreement at 4.

tiers of service for low-income customers, referred to as the New California LifeLine Service Tiers, for 5 years.[97] These tiers include:

i. Standalone 100/20 Megabytes per second (Mbps) for $20 per month - residential home internet access service;
ii. Standalone 500/20 Mbps for $50 per month - residential home internet access service;
iii. Bundled 100/20 Mbps for $30 per month - residential home internet access service plus residential wireline voice service bundle; and
iv. Bundled 500/20 Mbps for $50/ per month - residential home internet access service plus residential wireline voice service bundle.[98]

Additionally, the Joint Applicants committed to offer new and existing low-income eligible customers across its footprint access to residential home internet access plans at 100/20 Mbps service for $20 per month in a Standalone Non-LifeLine Service Tier for five years.[99]

Further, the Joint Applicants committed to offer new residential broadband customers promotional pricing for three years across its footprint of $70 for 1000/35 Mbps service, $50 for 500/20 Mbps service, and $30 for 100/20 Mbps service, with the following lower-priced exceptions:

i. Promotions in response to competitor pricing and offers, new competitor entry or expansion, competitor network upgrades, and the near-term expected entry, expansion or upgrade of a competitor may be set below the statewide promotional price. Once the post-merger company establishes such a lower promotional price under this

[97] Joint Motion of Charter and the Public Advocates Office for Adoption of Settlement Agreement at 5-6.

[98] *Id.* at 6.

[99] *Id.* at 6.

exception that is offered for more than 30 days, it should adjust the statewide promotional price as necessary to ensure that the difference between the statewide promotional price and the lower promotional price does not exceed $15 per month or, in the case of an offer of free service, 20% of the customer's expected annual service revenue;

ii. Promotions to former customers or customers in retention;

iii. Promotions related to "Back to School" in zip codes immediately adjacent to Colleges and Universities;

iv. Promotions to low-income households; and

v. Promotions as part of a disaster recovery effort, including in response to natural disasters.[100]

We interpret the settlement to apply these exceptions consistently throughout the post-merger company footprint.

The Joint Applicants-Cal Advocates Settlement Agreement is attached to this document as Attachment A.

13.2. Joint Applicant and CETF

In the Joint Motion, Joint Applicants and CETF indicate that they made commitments about:

1. broadband affordability and adoption;
2. sales practices and advertising of low-income offers;
3. financial support for a broad array of digital inclusion programs;
4. infrastructure upgrades, network evolution, and expansion investments;
5. Tribal and other stakeholder consultation and outreach;
6. small business and workforce development investments; and

[100] *Id.* at 10-11.

7. continued participation and reporting under G.O. 156.[101]

Joint Applicants and CETF describe the Joint Applicants-CETF Settlement Agreement as "an 'appropriate, fair and comparable' set of public benefits to consumers, particularly in the areas of broadband deployment, digital inclusion, affordable offers, and compliance with [General Order (GO)] 156 and the Commission's Environmental and Social Justice Action Plan."[102] Further, CETF states that the Joint-Applicants-CETF Settlement Agreement "addresses CETF's other primary concern that Charter's current low-cost offerings are not available to anyone who has been an existing Charter customer within the 30 days prior to accessing a low-income plan."[103]

Additional details about the commitments in the Joint Applicants-CETF Settlement Agreement can be found in Attachment B of this decision.

13.3. Standard of Review

The Commission's Rules of Practice and Procedure (Rules) Article 12 governs the consideration of settlements.

Rule 12.1(c) states that settlements should ordinarily not include deadlines for Commission approval. However, in the rare case where delay beyond a certain date would invalidate the basis for the proposal, the timing urgency must be clearly stated and fully justified in the motion.

Rule 12.1(d) states, in part, that the Commission will not approve settlements, whether contested or uncontested, unless the settlement is

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[101] Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 4-5.

[102] Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 4-5.

[103] *Id.* at 9.

reasonable in light of the whole record, consistent with law, and in the public interest.

13.4. Rule 12.1(c)

The Joint Applicants-Cal Advocates Settlement Agreement has no adoption deadline. However, the Joint Applicants and CETF request, due to urgency, to accelerate the Commission's adoption of their settlement by June 30, 2026. We deny their request.

CETF indicates that the urgency associated with adopting their settlement is the clearance period associated with their federal HSR filing. CETF also indicates that would cause material and business disruptions.

The Commission is unmoved by these arguments. The assigned ALJ provided an opportunity for the Joint Applicants to make their scheduling needs, such as deadlines, known, at the prehearing conference. Joint Applicants did not request expedited review of their application. It is incumbent upon Joint Applicants to make their needs, such as deadlines, known so that reviewing agencies can respond to the requests before it.

TURN notes that the Joint Applicants/CETF settlement fails to justify its urgency request, as it must under Rule 12.1(c).[104] Rule 12.1(c) is not satisfied without a clearly stated and fully justified reason for the urgency in the motion. Therefore, we deny the request to accelerate adoption of the settlement.

13.5. Reasonable In Light of the Whole Record

The first question the Commission must consider is whether the Settlement Agreements are reasonable in light of the whole record.

[104] TURN Comments on Cal Advocates Settlement at 8; TURN Comments on CETF Settlement at 5.

13.5.1. Joint Applicants and Cal Advocates

In their Joint Motion, Joint Applicants and Cal Advocates assert that the terms of the Joint Applicants-Cal Advocates Settlement Agreement are reasonable in light of the general record established to support the transfer and the concerns expressed by Cal Advocates in its pleadings and testimony.[105] Specifically, Joint Applicants and Cal Advocates highlight that the Joint Applicants-Cal Advocates Settlement Agreement makes substantial commitments "with respect to broadband affordability and adoption, advertising of low-income offers, promotional pricing practices, public safety, resiliency, and broadband adoption reporting."[106]

13.5.2. Joint Applicants and CETF

In their Joint Motion, Joint Applicants and CETF assert that the terms of the Joint Applicants-CETF Settlement Agreement are reasonable in light of the general record established to support the transfer and the concerns expressed by CETF in its pleadings and testimony.[107] Specifically, Joint Applicants and CETF highlight that the Joint Applicants-CETF Settlement Agreement directly addresses the broad array of issues CETF raised and offers an "'appropriate, fair and comparable' set of public benefits to consumers, particularly in the areas of broadband deployment, digital inclusion, affordable offers, and compliance with GO 156 and the Commissions [ESJ] Action Plan."[108]

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[105] Joint Motion of Joint Applicants and Cal Advocates at 4.

[106] *Id.* at 4.

[107] Joint Motion of Joint Applicants and CETF at 4-5.

[108] *Id.* at 5.

13.5.3. TURN

TURN did not explicitly state whether the settlement agreements are reasonable in light of the record. Instead, TURN focuses on whether the settlement agreements are in the public interest. The discussion of public interest is below.

13.5.4. Joint Advocates

Media Alliance, CADE, FCDI, EBBC, and DELA, as Joint Advocates submitted comments on the Settlement Agreements to identify areas where the Settlement Agreements and the record are not aligned.

For example, they note that the Settlement Agreements are silent on the disaster resiliency issues DELA raised in the record.[109] The Joint Advocates also highlight "the depth of the affordability crisis documented in the record" to both (1) support the Joint Applicants-Cal Advocates Settlement Agreement's commitments to establish new California LifeLine Service Tiers and fixed pricing provisions and (2) assert that a five-year term is insufficient.[110] Separately, the Joint Applicants note that the Joint Applicants-Cal Advocates Settlement Agreement does not address Charter's practice of reporting customers to credit reporting agencies, despite the record that such reporting can affect a customer's future eligibility for low-income plans.[111] Finally, the Joint Advocates assert that neither of the settlement agreements address concerns raised by CforAT and CADE about the proposed transaction's impacts on jobs — jobs in unrepresented and underrepresented communities.[112]

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[109] Joint Advocates Opening Comments on Settlement Agreement at 3-7.

[110] *Id.* at 7-8.

[111] *Id.* at 10.

[112] Joint Advocates Opening Comments on Settlement Agreement at 21.

13.5.5. CforAT

CforAT opposes the Settlement Agreements because they "do not address the majority of the issues raised in this proceeding and are therefore not reasonable in light of the entire record."[113] CforAT argues that based on the record, the settlement terms for "affordable" broadband service will not be effective in supporting many customers in the combined company's territory.[114] CforAT also asserts that the record indicates that the loopholes and exceptions to the Joint Applicants-Cal Advocates Settlement Agreement would completely cut the public interest benefits of the promotional pricing commitment.[115] Finally, CforAT expresses concern that the Joint Applicants-Cal Advocates Settlement Agreement's lack of terms on wireless service quality rules is inconsistent with the ample evidence in the record about the proposed transaction's significant risk to service quality.[116]

13.5.6. Discussion

The Joint Applicants-Cal Advocates Settlement Agreement is reasonable in light of the whole record on the issue of low-income offerings for the post-merger company. However, approval of the transaction necessitates the adoption of mitigation measures to address concerns of the non-settling parties in areas not addressed by the Settlement Agreements.

Our review shows that while each settlement is reasonable given their individual terms and conditions, the Settlement Agreements may contain

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[113] CforAT Opening Comments on Settlement Agreements at 2.

[114] *Id.* at 10-11.

[115] *Id.* at 27.

[116] *Id.* at 28.

discrepancies when considered together.[117] Further, while the Joint Applicants-CETF Settlement Agreement asserts that it will be the controlling document in any conflict between the two agreements, the Joint Applicants-Cal Advocates Settlement Agreement is silent as to other agreements. As Cal Advocates would be the party to give up its rights by subordinating its concerns to the Joint Applicants and CETF, the Joint Applicants-Cal Advocates Settlement Agreement is the only agreement that can declare the Joint Applicants-CETF Settlement Agreement superior. We have concerns about this, as the Joint Applicants-Cal Advocates Settlement Agreement is the more detailed document as to the structure for low-income offerings. Inconsistencies in this area could impact the post-merger company's commitment to institute its New California LifeLine Service Tiers and the Standalone Non-LifeLine Service Tier.

To avoid rendering terms of the Joint Applicants-Cal Advocates Settlement Agreement void on the low-income offerings, we clarify that the Joint Applicants-Cal Advocates Settlement Agreement will be the controlling agreement governing low-income offerings for the post-merger company. The post merger company shall not require any cessations of service before accessing low-income programs under these settlement agreements.[118] These clarifications are necessary to find that the settlement agreements are reasonable in light of the whole record.

Finally, we acknowledge that the settlement agreements are based on the record developed by the Joint Applicants, Cal Advocates, and CETF. However, we note that concerns raised by non-intervening parties have not been fully

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[117] Joint Motion of Charter Communications, Inc., and CETF for Adoption of Settlement Agreement at Exhibit 1 at 15.

[118] *Id.* at 9.

addressed, as some parties did not participate in settlement discussions with the Joint Applicants. Therefore, these issues warrant consideration through the proposed mitigation measures discussed in this decision below.

13.6. Consistent with the Law

The second question the Commission must consider is whether the Settlement Agreements are consistent with the law.

13.6.1. Joint Applicants and Cal Advocates

Joint Applicants and Cal Advocates indicate that the Joint Applicants-Cal Advocates Settlement Agreement is fully consistent with the requirements of Section 854 and with all other applicable provisions of California law. The Agreement imposes no conditions that conflict with any applicable statute.[119]

13.6.2. Joint Applicants and CETF

Joint Applicants and CETF indicate that the Joint Applicants-CETF Settlement Agreement is fully consistent with the requirements of Section 854 and with all other applicable provisions of California law. The Agreement imposes no conditions that conflict with any applicable statute.[120]

13.6.3. TURN

TURN disagrees that the Settlement Agreements are consistent with the public interest standard in Section 854.[121]

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[119] Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement at 4.

[120] Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 5.

[121] Opening Comments of the Utility Reform Network on the Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 1-2.

13.6.4. Joint Advocates (CforAT, Media Alliance, CADE, FCDI, EBBC, and DELA)

Joint Advocates argue that the Settlement Agreements' failure to address the law governing PEG Access Channels, render the Settlement Agreements inconsistent with the law.[122]

13.6.5. CforAT

CforAT comments that the Settlement Agreements are not consistent with law particularly regarding disability equity, racial equity, and supplier diversity.[123]

13.6.6. Discussion

We find that the Settlement Agreements under consideration are consistent with the law.

The Joint Applicant and both parties that participated in individual settlement talks assert that the Settlement Agreements are consistent with the law. The parties that were not participants in any settlement process are unable to conclude that the individual party settlements are consistent with the law.

Because the transaction must be consistent with Pub. Util. Code Section 854 and its broad public interest considerations, we cannot find that the settlement agreements are consistent with the law unless we find that the Settlement Agreements are consistent with the public interest. Our discussion of the public interest aspects of the settlement agreements is below.

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[122] Joint Opening Comments on Charter Settlement Agreements with the California Emerging Technology Fund & The Public Advocates Office at 17.

[123] Center for Accessible Technology's Comments on Joint Motion of Charter and Public Advocates Office for Adoption of Settlement and Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement at 2.

13.7. In the Public Interest

The third question the Commission must consider is whether the two Settlement Agreements are in the public interest.

13.7.1. Joint Applicants and Cal Advocates

Cal Advocates state that the Joint Applicants-Cal Advocates Settlement Agreement is drafted to provide, "meaningful, enforceable, and transaction-specific consumer protections beyond what would exist if the proposed transaction were approved absent the Agreement," and is therefore in the public interest.[124] Cal Advocates encourages the Commission to adopt the Joint Applicants-Cal Advocates Settlement Agreement as a condition of approval.[125]

13.7.2. Joint Applicants and CETF

CETF indicates that the Joint Applicants-Cal Advocates Settlement Agreement, negotiated over months, along with the Joint Applicants-Cal Advocates Settlement Agreement transforms the Joint Application.

CETF indicates that the Joint Application was deficient by failing to commit to public benefits in the following areas: infrastructure deployment, affordable broadband offers, digital inclusion, public safety, call center practices, ESJ impacts, Tribal engagement, and supplier diversity. CETF believes that the Joint Applicants-Cal Advocates Settlement Agreement and Joint Applicants-CETF Settlement Agreement secure, "concrete, measurable, and enforceable commitments that directly respond to the issues that were litigated."[126]

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[124] Reply Comments of the Public Advocate Office at 1.

[125] *Id.* at 2.

[126] Reply Comments of California Emerging Technology Fund on Settlement Agreements at iii.

CETF requests that the Commission, "approve both the CETF and Cal Advocates Settlement Agreements, make them enforceable Commission conditions, retain post-approval enforcement jurisdiction, and act in time for the transaction to close before the Hart-Scott-Rodino clearance expires in mid-September 2026."[127]

13.7.3. TURN

TURN opposes both the Joint Applicants-CETF Settlement Agreement and the Joint Applicants-Cal Advocates Settlement Agreement unless the Commission amends the settlements to be in the public interest or imposes additional conditions.[128] TURN reminds the Commission in its comments on the proposed settlements that the Commission may adopt the settlement conditions while also imposing additional conditions on a transfer of control subject to Pub. Util. Code Section 854 review.[129]

TURN urges the Commission to reject the proposed settlements, propose alternative terms to prevent public interest harms, or implement its own conditions that benefit the public interest.[130]

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[127] *Id.* at v.

[128] Opening Comments of The Utility Reform Network on the Joint Motion of Chater Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement (TURN Comments on CETF Settlement) at 1.

Opening Comments of the Utility Reform Network on the Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement (TURN Comments on Cal Advocates Settlement) at 1-2.

[129] TURN Comments on Cal Advocates Settlement at 1.

TURN Comments on CETF Settlement at 2.

[130] Reply Brief of TURN at 5.

13.7.4. Joint Advocates

Joint Advocates indicate that the Settlement Agreements fail to sufficiently address the public safety issues currently present in Joint Applicant's service territory and fail to put forward mitigation commitments.[131] Additionally, Joint Advocates maintain that without evidentiary support, the claims made about the Settlement Agreements' actual impact on the public benefits should be viewed with skepticism. Joint Applicants are also concerned that the Settlement Agreements do not create sufficiently robust, durable affordability benefits to future customers.[132]

13.7.5. CforAT

CforAT writes that the Settlement Agreements do not include well-negotiated, enforceable terms, contain ambiguities, too many exceptions, and lack associated penalties to bind performance.[133] CforAT indicates that it supports the comments submitted by the Joint Advocates.[134]

13.7.6. Discussion

The Commission finds that the Settlement Agreements are in the public interest.

CforAT, CADE, DELA, Media Alliance, EBBC, and FDCI agree that "the Settlement Agreements represent initial steps to move the proposed transaction towards the public interest." They also note that it is necessary to make sure that

[131] Joint Reply Comments on Settlement Agreements at 10.

[132] *Id.* at 13.

[133] Center for Accessible Technology's Comments on Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement and Joint Motion of Chater Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement (CforAT Settlement Comments) at 1.

[134] CforAT Settlement Comments at 4.

transaction commits to measurable, verifiable, and enforceable commitments in the public interest, for which the post-merger company can be held accountable.[135]

We find that the Settlement Agreements, when paired with the mitigations discussed above to address concerns raised by parties outside the agreement, are in the public interest.

14. Mitigation Measures Required to Find the Proposed Transaction in the Public Interest under Pub. Util. Code Sec. 854(c)(8)

Pub. Util. Code Section 854(c)(8) requires the Commission to consider mitigation measures to prevent significant adverse consequences that may result because of the transaction. While the Settlement Agreements address the concerns of Cal Advocates and CETF, the remaining intervenors have presented persuasive facts and arguments that the transaction may have significant adverse consequences unless we adopt additional mitigation measures

When paired with the Settlement Agreements, the five mitigation measures adopted herein will address the transaction's potential to result in significant adverse consequences and make the merger in the public interest.

14.1. Mitigation Measure 1: Public Safety - Provide Battery Backup Availability and Annual Notice

In response to a Cal Advocates data request, Joint Applicants confirmed that a significant portion of service outages occur because of power outages.[136] To improve public safety outcomes and increase public safety and communications resiliency resulting from the transaction, especially during

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[135] Joint Reply Comments on Charter Settlement Agreements with the California Emerging Technology Fund & The Public Advocates Office (Joint Advocates6 Settlement Reply) at 3.

[136] Exh. 159. (Response to Cal Advocates Data Request 05.)

natural disasters, mitigation measures must be implemented, tracked, and reported.

The post-merger company shall make available to all new residential wireline voice service customers in California access to at least one battery backup solution that provides 72 hours of standby time.[137] By March 1, 2027, and annually for ten (10) years, the post-merger company shall provide an annual notice to all their residential wireline voice service customers in California disclosing relevant information regarding battery backup solutions. The post-merger company will include this notice in a March 1 Tier 1 advice letter to the Commission.

14.2. Mitigation Measure 2: Public Safety – Ensure Resiliency and Reliability of the Broadband Network

Parties raised concerns about the post-merger company's reimbursement of non-planned outages.[138] In comments, the public also expressed its expectation that the post-merger company would reimburse for service outages and provide flexible and transparent pricing and options. Joint Applicants fail to demonstrate that the transaction will not have an adverse impact on consumers in these areas. Californians rely on their broadband network. When they pay for that network, they expect the network to be operational.[139]

For network outages in which a standalone broadband customer is unable to access the internet for two hours or more in a day, the customers should not have to pay for that day. The post-merger company shall automatically issue a

[137] Exh. 6 (Direct Testimony of Joshua Srago) at 5.

[138] Opening Brief of TURN at viii; Joint Advocates Opening Brief at 39.

[139] Opening Brief of Center for Accessible Technology at 34.

customer credit equal to 1/30th of service's monthly bill for each day the outage lasts 2-hours or more. Outages caused by natural catastrophes or planned overnight scheduled maintenance in which a customer is notified prior to the maintenance shall be excluded. The post-merger company shall reflect applicable automatic customer credits on the customer's bill within 60 days after the last day of the billing period to which the credit applies. The automatic customer credit applies only to charges associated with the service.[140]

14.3. Mitigation 3: Require Adherence to the Current Laws for PEG Channel Management

Media Alliance argues that both Charter and Cox are video franchise holders subject to Commission jurisdiction. Public participants, both in person and in comments on the docket card, stated the post-merger company must observe the requirements of Pub. Util. Code Section 5870. Continuing the provision of PEG channel capacity for public, educational and governmental programming, would be in the public interest because of the legacy cable customers who continue to fund them, the local communities who continue to expect their programming, and the training and development opportunities afforded by them.[141]

Media Alliance indicates that there are billing issues that require fixing.[142] Media Alliance also urges the Commission to assure that the post-merger company will treat PEG channel lawfully and in a non-discriminatory manner that allows Californians to receive and utilize the public interest benefits they are

[140] *Id.*

[141] Opening Brief of Media Alliance at 6-8.

[142] *Id.* at 9-10.

entitled to,[143] as well as assure that non-commercial video be broadcast as submitted.[144] Where the Joint Applicants are among the largest providers of cable services to California, Media Alliance indicates that there are some practices with respect to the treatment of PEG stations that require a closer look, such as degrading video content on public benefit channels by compressing it into standard definition prior to broadcast.[145]

We agree with Media Alliance that there is significant overlap among low-income Californians, ESJ communities, those who lack access to high-speed broadband, devices, and necessary additional resources, and legacy cable customers.[146] The public benefit channels provide local news, training and equipment, and civic information, as a trusted and known messenger in local communities. Further, to allow the Joint Applicants to continue to flout Pub. Util. Code Section 5870 would prevent the Commission from effectively regulating utility operations under Pub. Util. Code Section 854(c)(7).

To resolve the question of Public Benefit Channel treatment, within nine months of the effective date of this decision, the post-merger company will audit its relationships with all of the PEG channels in its footprint and submit the report to the Commission via a Tier 1 advice letter, detailing the parameters of its PEG channel relationships, including:

a. the fees charged to and paid by each PEG channel within the post-merger company footprint;

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[143] *Id.* at 11.

[144] *Id.* at 12-13.

[145] *Id.* at 12.

[146] *Id.* at 6-7.

b. a narrative as to how the post-merger company is complying with current Commission jurisdiction, Pub. Util. Code Section 5870, for each PEG station;

c. identification of the public benefit channel number for each PEG station;

d. a description of the treatment each PEG channel receives on cable channel guides and navigation systems;

e. a narrative describing the treatment of video content submitted by the public and the process by which it is prepared for and then broadcast.

The post-merger company shall submit that report to the Commission via a Tier 1 advice letter and include an attestation that it has also sent the information to the Alliance for Community Media, the Public Benefits Channel trade organization.

The post-merger company shall broadcast all PEG programming throughout its entire footprint in HD streaming quality, to make PEG programming schedules be made available on all electronic programming guides and, immediately following the issuance of this decision, cease charging PEG channels for services per Public Utilities Code Section 5870.

14.4. Mitigation 4: Honoring Agreements

When customers sign an agreement with their broadband provider, they expect that agreement to be honored, even if that broadband provider changes owners. The Joint Applicants committed to the state of Connecticut that they would honor "price for life" agreements, or an agreement not to raise prices, with residential customers.[147] Failure to make the same commitment in

[147] TURN Exhibit 43 at 19.

California would expose the public to potentially significant adverse impacts from the transaction.

For residential customers with a valid "price for life" agreement for any Covered Service entered prior to the transaction close, the post-merger company shall honor the agreement in accordance with its terms, provided the post-merger company is practically capable of doing so, and only for the period in which service remains generally available for sale.

14.5. Mitigation 5: No Hidden Fees

Hidden fees can build distrust between customers and their broadband provider. The Joint Applicants committed to the state of New York that they would not charge customers to exchange equipment if they upgraded or downgraded their service.[148] Failure to make the same commitment in California would expose the public to potentially significant adverse impacts from the transaction.

The post-merger company shall not charge fees to residential cable television service customers to exchange equipment when a consumer requests an upgrade or downgrade of service or chooses to return rented equipment for such cable television service. Nothing herein shall preclude the post-merger company from charging customers to return or exchange equipment by mail or other similar delivery means, or for any installation charge or service call requested by the customer for the purpose of performing such equipment exchange.

[148] TURN Exhibit 28 at 19.

15. Enforcement and Reporting

Commission staff is authorized to draft a Resolution for Commission consideration reflecting an enforcement program that covers compliance with the terms of the mitigation measures as reflected in the Ordering Paragraphs, including, without limitation, the post-merger company's reporting requirements, service quality requirements, infrastructure investment requirements, requests for changes to conditions via a petition for modification, and the terms of any Settlement Agreements. The proposed enforcement program will specify a citation amount for each term, proposed remedies for lack of compliance, the use of Corrective Action Plans, and explore penalty mechanisms, including monetary fines. Enforcement program appeals will be pursuant to Resolution ALJ-377 or its successor.

16. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding. The public comments were summarized the Public Participation Hearings and Comment section, above.

17. Procedural Matters

This decision affirms all rulings made by the ALJ and assigned Commissioner in this proceeding. All motions not ruled on are deemed denied.

18. Comments on Proposed Decision

The alternate proposed decision of Commissioner Matthew Baker in this matter was mailed to the parties in accordance with Pub. Util. Code Section

311and comments are allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure.

19. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Jamie Ormond is the assigned ALJ and Presiding Officer in this proceeding.

Findings of Fact

1. Charter, Charter Holdings, and Cox, are Joint Applicants to A.25-07-016.
2. Charter, its subsidiary Charter Holdings, and CEI, entered into a transaction where CEI's subsidiary, Cox, would be acquired by Charter. Cox California is a subsidiary of Cox and will become a subsidiary of Charter.
3. Cox California operates in California under utility number U-5684-C.
4. The Joint Applicants and subsidiaries operate and provide a vast array of communications services, including but not limited to: residential, business, and enterprise broadband service, cable, residential and business services such as internet, video services, streaming video services, mobile wireless services, mobile voice and data service, VoIP, managed cloud services, security, enterprise Internet, networking products, and residential, business, and enterprise voice service.
5. Charter serves over 31.2 million communications services customers with a residential footprint across 41 states, including California, and an even larger business communications services footprint.
6. Cox, to be acquired by Charter, provides communications services across 18 states, including California.
7. CforAT filed motions to strike portions of Joint Applicants' opening and reply briefs and the entirety of Cal Advocates' opening brief.

8. Joint Applicants filed a motion to strike portions of the Joint Advocates' and Media Alliance's opening briefs and the Joint Advocates' reply brief.

9. Parties had notice that the Commission would apply the analysis of Pub. Util. Code Section 854(a), (b), and (c), when considering the application.

10. Joint Applicants failed to put forward measurable, verifiable, and enforceable commitments necessary to approve the transaction under Pub. Util. Code Section 854(a), (b), and (c) without adoption of the Settlement Agreements and mitigation measures.

11. Joint Applicants failed to put forward measurable, verifiable, and enforceable commitments necessary to find that the transaction will not impact ESJ communities and public safety without adoption of the Settlement Agreements and mitigation measures.

12. Joint Applicants and Cal Advocates submitted the Joint Applicants-Cal Advocates Settlement Agreement to settle all issues raised by Cal Advocates.

13. The Joint Applicants-Cal Advocates Settlement Agreement committed Joint Applicants to offer four new tiers of service (New California LifeLine Service Tiers) for low-income customers for five years.

14. The Joint Applicants-Cal Advocates Settlement Agreement committed Joint Applicants to offer a Standalone Non-LifeLine Service Tier for low-income customers for five years.

15. The Joint Applicants-Cal Advocates Settlement Agreement committed Joint Applicants to spend $1.5 million over five years, or a minimum of $300,000 per year, to promote its low-income broadband services.

16. The Joint Applicants-Cal Advocates Settlement Agreement committed Joint Applicants to offer existing customers enrolled in qualifying low-income

service tiers the option to remain on their plans for at least five years after the transaction.

17. The Joint Applicants-Cal Advocates Settlement Agreement committed Joint Applicants to offer new residential broadband customers promotional pricing across its footprint.

18. The Joint Applicants-Cal Advocates Settlement Agreement allowed Joint Applicants to offer lower-priced exceptions to the new residential broadband customers promotional applied consistently pricing across its footprint.

19. Joint Applicants and CETF submitted the Joint Applicants-CETF Settlement Agreement to resolve all concerns raised by CETF.

20. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to train all relevant call center employees with materials to inform low-income customers about the company's low-income offerings.

21. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to refrain from imposing a 30-day waiting period to qualify for the low-income programs proposed.

22. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to invest $30 million in digital inclusion programs related to identified broadband adoption barriers.

23. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to invest at least $275 million to evolve its existing network in California to finish upgrading legacy California service to symmetrical one-gigabit speed capability within three years.

24. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to provide free broadband service and Wifi service for five years to 50 eligible anchor institutions.

25. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to serve as a potential safety net for the broadband locations identified as remaining unserved or underserved in the Broadband Equity, Access, and Deployment Program.

26. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to performing community and tribal outreach activities.

27. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to invest $5 million in Community Development Financial Institutions to channel capital to small businesses in California that have historically lacked adequate access to credit.

28. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to attend the Commission's annual Supplier Diversity En Banc hearings.

29. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to broaden its outreach to focus on small businesses and supplier diversity.

30. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to invest $2 million over a three-year period to expand its existing VetConnect Program to two additional California military bases in the Combined Company Service Area.

31. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to conduct outreach to small businesses to become certified by the Commission's Supplier Clearinghouse.

32. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to comply with GO 156.

33. The Joint Applicants-CETF Settlement Agreement committed Joint Applicants to report its actual spend against Commission goals.

34. The Joint Applicants-Cal Advocates Settlement Agreement and the Joint Applicants-CETF Settlement Agreement, with the clarifications identified in this decision, are reasonable in light of the whole record, consistent with the law, and in the public interest.

35. Joint Applicants and CETF indicate that as a result of urgency, they would act in good faith to accelerate the Commission's adoption of their settlements by June 30, 2026.

36. Joint Applicants and CETF failed to justify their urgency request, as required by Rule 12.1(c).

37. Mitigation measures are necessary to prevent significant adverse consequences that may result from the proposed transaction, per Pub. Util. Code Section 854(c)(8).

38. Joint Applicants confirmed that a significant portion of service outages occurred due to power outages.

39. To improve public safety outcomes and increase public safety and communications resiliency resulting from the transaction, especially during natural disasters, mitigation measures must be implemented, tracked, and reported.

40. PEG channels provide public benefits and there is a need to ensure they are treated lawfully by the post-merger company.

41. Joint Applicants failed to demonstrate that the transaction will not result in a significant adverse impact to PEG channels.

42. The record reflects a concern that the post-merger company's reimbursement of non-planned outages may adversely impact consumers and

not meet public expectations, and the Joint Applicants failed to demonstrate that the transaction will not result in a significant adverse impact on consumers in this area. .

43. Connecticut directed the post-merger company to honor any "price for life" contracts with the Joint Applicants.

44. New York directed the post-merger company to not charge fees to residential cable television service customers to exchange equipment when a consumer requests an upgrade or downgrade of service or chooses to return rented equipment for such cable television service.

45. If the post-merger company fails to make the same commitment in California as it has done in Connecticut and New York, it would expose the public to potentially significant adverse impacts from the transaction.

Conclusions of Law

1. It is reasonable for the Commission to apply the requirements of Pub. Util. Code Section 854(a), (b), and (c) when considering the transaction.

2. It is reasonable to require additional mitigation measures to address significant adverse impacts for the approval of the Joint Application pursuant to Pub. Util. Code Section 854(c)(8).

3. It is reasonable to clarify any conflicting or unclear points between the Joint Applicants-Cal Advocates Settlement Agreement and the Joint Applicants-CETF Settlement Agreement regarding shared issues, since each agreement was submitted separately instead of a single, unified document.

4. It is reasonable to adopt the Settlement Agreements conditions as clarified under Article 12 of the Rules.

5. It is reasonable to deny the request of Joint Applicants and CETF for urgent treatment of their Settlement Agreement.

6. It is reasonable to require the post-merger company to make available to all new residential wireline voice service customers in California access to at least one battery backup solution that provides 72 hours of standby time.

7. It is reasonable to require the post-merger company to provide an annual notice to all their residential wireline voice service customers in California disclosing relevant information regarding battery backup solutions. The post-merger company should include this notice in its March 1 Annual Compliance Reports.

8. It is reasonable to require the post-merger company to automatically issue a customer credit equal to 1/30th of the monthly price of the service for each day the service outage lasts two-hours or more. This customer credit should be reflected on the customer's bill within 60 days after the last day of the billing period during which the customer experienced a service outage lasting two hours or more. The automatic customer credit applies only to charges associated with the service.

9. It is reasonable to require the post-merger company to audit its relationships with all of the PEG channels in its footprint and report to the Commission via a Tier 1 advice letter detailing the parameters of its PEG channel relationships as described in this decision.

10. It is reasonable to require the post-merger company to broadcast all PEG programming throughout its footprint in HD streaming quality, to make PEG programming schedules be made available on all electronic programming guides and, immediately following the issuance of this decision, cease charging PEG channels for services per Public Utilities Code Section 5870.

11. It is reasonable to require the post-merger company to honor any valid "price for life" agreements with residential customers for any Covered Service

entered prior to the transaction close in accordance with its terms, provided the post-merger company is practically capable of doing so, and only for the period in which service remains generally available for sale.

12. It is reasonable to prohibit the post-merger company from charging fees to residential cable television service customers to exchange equipment when a consumer requests an upgrade or downgrade of service or chooses to return rented equipment for such cable television service. Nothing herein shall preclude the post-merger company from charging customers to return or exchange equipment by mail or other similar delivery means, or for any installation charge or service call requested by the customer for the purpose of performing such equipment exchange.

13. It is reasonable to authorize Commission staff to draft a Resolution for Commission consideration reflecting an enforcement program that covers compliance with the terms of the mitigation measures as reflected in the Ordering Paragraphs, including, without limitation, the post-merger company's reporting requirements, service quality requirements, infrastructure investment requirements, requests for changes to conditions via a petition for modification, and the terms of any Settlement Agreements.

14. It is reasonable to approve the transfer of Cox California in light of the Settlement Agreements and the additional mitigation measures as reasonable in light of the whole record, consistent with law, and in the public interest.

15. Any pending motions that are not expressly ruled upon by the assigned Commission or ALJ should be denied.

16. The proceeding should be closed.

O R D E R

IT IS ORDERED THAT:

1. Pursuant to California Public Utilities Code Section 854, approval of the indirect transfer of control of Cox California Telcom, LLC (U-5684-C) to Charter Communications, Inc., Charter Communications Holdings, LLC, and Cox Enterprises, Inc. is granted, subject to the requirements as stated herein.

2. The post-merger company shall abide by the commitments listed in the settlement agreement between Charter Communications, Inc., Charter Holdings, LLC, Cox Enterprises, Inc., Cox California Telecom and the Public Advocates Office at the California Public Utilities Commission attached to this decision in Attachment A, to include:

   a. The post-merger company shall offer all new and existing low-income customers across the service footprint four new tiers of service for low-income customers, referred to as the New California LifeLine Service Tiers as described in Attachment A, for five-years:

      i. Standalone 100/20 Megabytes per second (Mbps) for $20 per month - residential home internet access service

      ii. Standalone 500/20 Mbps for $50 per month - residential home internet access service

      iii. Bundled 100/20 Mbps for $30 per month - residential home internet access service plus residential wireline voice service bundle

      iv. Bundled 500/20 Mbps for $50/ per month - residential home internet access service plus residential wireline voice service bundle.

   b. The post-merger company shall offer new and existing low-income eligible customers across its footprint access to residential home internet access plans at 100/20 Mbps service for $20 per month in a Standalone Non-LifeLine

Service Tier, as described in Attachment A. The post-merger company shall offer this service tier for five years with no long-term contracts or early termination fees.

c. The post-merger company shall spend $1.5 million over five years, or minimum of $300,000 per year, to promote its low-income broadband services including its New California LifeLine Service Tiers and Standalone Non-LifeLine Service Tier across its footprint.

d. The post-merger company shall offer existing customers enrolled in qualifying low-income service tiers the option to remain on their plans for at least five years after the transaction.

e. The post-merger company shall not impose a 30-day waiting period to qualify for low-income programs or any programs created under this decision.

f. For a period of three years, the post-merger company shall offer new residential broadband customers promotional pricing across its footprint of $70 for 1000/35 Mbps service, $50 for 500/20 Mbps service, and $30 for 100/20 Mbps service, with the following lower-priced exceptions applied consistently across the footprint of the post-merger company:

   i. Promotions in response to competitor pricing and offers, new competitor entry or expansion, competitor network upgrades, and the near-term expected entry, expansion or upgrade of a competitor may be set below the statewide promotional price. Once the post-merger company establishes such a lower promotional price under this exception that is offered for more than 30 days, it should adjust the statewide promotional price as necessary to ensure that the difference between the statewide promotional price and the lower promotional price does not exceed $15 per month or, in the case of an offer of free service, 20% of the customer's expected annual service revenue;

   ii. Promotions to former customers or customers in retention;

   iii. Promotions related to "Back to School" in zip codes immediately adjacent to Colleges and Universities;

   iv. Promotions to low-income households; and

   v. Promotions as part of a disaster recovery effort, including in response to natural disasters.

3. The post-merger company shall abide by the commitments listed in the settlement agreement between the Charter Communications, Inc., Charter Holdings, LLC, Cox Enterprises, Inc., Cox California Telecomand the California Emerging Technologies Fund (CETF) attached to this decision in Attachment B, to include:

    a. The post-merger company shall train all relevant call center employees with materials to provide low-income customers with adequate information regarding availability of, and processes to enroll in, the company's low-income offerings.

    b. The post-merger company shall invest $30 million in digital inclusion programs related to identified broadband adoption barriers (cost, relevance, digital literacy) including:

        i. $20.5 million to CETF to support broadband adoption through community based outreach, in-language and in-culture engagement, digital literacy training programs across the post-merger company footprint;

        ii. $7 million to regional broadband consortium and metropolitan planning organizations for targeted outreach and community-based digital inclusion engagement efforts; and

        iii. $2.5 million to a new CETF Green Technology Initiative for sustainable supply chain computer refurbishment to be distributed to low-income households for free digital literacy training.

    c. The post-merger company shall invest at least $275 million to evolve its existing network in California to finish upgrading legacy California service to symmetrical one-gigabit speed capability within three years.

    d. The post-merger company shall provide free broadband service and Wifi service for five years, at no charge, to 50 eligible anchor institutions, such as schools, libraries, community centers, and other community-service facilities.

e. The post-merger company shall serve as a potential safety net for the broadband locations identified in the settlement agreement of Attachment B as remaining unserved or underserved in the Broadband Equity, Access, and Deployment Program by submitting at least one application for broadband grant funding to deploy last-mile broadband infrastructure to serve those remaining locations, with a capital contribution of up to $3,000 per funded location.

f. The post-merger company shall conduct an annual consultation with Resident-Based Committees, Metropolitan Planning Organizations, and community-based organizations to create ongoing input on the post-merger company's capital investment and deployment. The post-merger company shall consult with Tribal governments adjacent to or within the post-merger company footprint. The post-merger company shall consult with affected Tribes and respond to CETF requests to meet with Tribes in the service area. The post-merger company shall provide a designated Tribal Liaison point of contact.

g. The post-merger company shall invest $5 million in Community Development Financial Institutions to channel capital to small businesses in California that have historically lacked adequate access to credit.

h. A senior level executive of the post-merger company shall attend the Commission's annual Supplier Diversity En Banc hearings and shall broaden its outreach to focus on small businesses and supplier diversity, including economically disadvantaged communities in California.

i. The post-merger company shall invest $2 million over a three-year period to expand its existing VetConnect Program to two additional California military bases in the Combined Company Service Area to help transition military personnel into the civilian workforce.

j. The post-merger company shall collaborate with CETF to:

i. Conduct outreach to small businesses to become certified by the Commission's Supplier Clearinghouse to provide services or products to utilities and other providers participating in the Commission's Supplier Diversity Program;

ii. List the Commission's minimum goals as contained in Section 8.2 of General Order 156 for procurement from women-, minority-, disabled veteran-, and LGBT-owned business enterprises as the short-, mid-, and long-term targets; and

iii. Report its actual spend against Commission's goals.

4. The post-merger company shall offer at least one battery backup option that provides 72-hours standby time to all new residential wireline voice service customers in California. The post-merger company shall provide an annual notice to all residential wireline voice service customers in California State disclosing relevant information regarding battery backup solutions. The post-merger company shall attest to this compliance in a Tier 1 advice letter to the Commission on March 1, 2027.

5. The post-merger company shall automatically issue a customer credit equal to 1/30th of the monthly price of the service for each day the service outage lasts two-hours or more. This customer credit shall be reflected on the customer's bill within 60 days after the last day of the billing period during which the customer experienced a service outage lasting two hours or more. The automatic customer credit applies only to charges associated with the service.

6. For network outages in which a standalone broadband customer is unable to access the internet for two (2) hours or more in a day, the post-merger company shall automatically issue a customer credit equal to 1/30th of service's monthly bill for each day the outage lasts 2-hours or more. Outages caused by natural catastrophes or planned overnight scheduled maintenance in which a

customer is notified prior to the maintenance shall be excluded. The post-merger company shall reflect applicable automatic customer credits on the customer's bill within 60 days after the last day of the billing period to which the credit applies. The automatic customer credit applies only to charges associated with the service.

7. Within 9 months of the Commission's approval of the transaction, the post-merger company shall audit its relationships with Public, Educational, and Government-Access (PEG) Channels and develop a report that discloses the parameters of each contractual relationship, including:

(a) The fees charged to and paid by each PEG channel within the post-merger company footprint over the past 10 years; a recitation of the law about charging fees to PEG channels; and within 10 months, a 12-month repayment plan for any moneys collected over the past 7 years;

(b) A narrative as to how the post-merger company is complying with current Commission jurisdiction, Public Utilities Code Section 5870, for each PEG station;

(c) The public benefit channel number for each PEG station;

(d) A narrative description of the treatment each PEG channel receives on cable channel guides and navigation systems;

(e) A narrative describing the treatment of video content submitted by the public and the process by which it is prepared for and then broadcast.

The post-merger company shall submit that report no later than 9 months after the issuance of this decision, via a Tier 1 advice letter, and include an attestation that it has also sent the information to the Alliance for Community Media, the Public Benefits Channel trade organization.

8. The post-merger company shall broadcast all Public, Educational, and Government-Access (PEG) programming throughout its entire footprint the entire service territory at High-Definition (HD) streaming quality. PEG programming schedules shall be made available on all electronic programming guides and shall, immediately following the issuance of this decision, cease charging PEG channels for services per Public Utilities Code Section 5870.

9. For residential customers with a valid "price for life" agreement for any Covered Service entered prior to the transaction close, the post-merger company shall honor the agreement in accordance with its terms, provided the post-merger company is practically capable of doing so, and only for the period in which service remains generally available for sale.

10. The post-merger company shall not charge fees to residential cable television service customers to exchange equipment when a consumer requests an upgrade or downgrade of service or chooses to return rented equipment for such cable television service. Nothing herein shall preclude the post-merger company from charging customers to return or exchange equipment by mail or other similar delivery means, or for any installation charge or service call requested by the customer for the purpose of performing such equipment exchange.

11. The request for expedited treatment of the settlement agreement between Charter Communications, Inc., Charter Holdings, LLC, Cox Enterprises, Inc., Cox California Telecom, and California Emerging Technology Fund is denied.

12. All outstanding motions filed in this proceeding that have not yet been ruled on are denied.

13. Application 25-07-016 is closed.

This order is effective today.

Dated ______, at San Francisco, California

ATTACHMENT A

(Charter/Cal Advocates Settlement Agreement)

(END OF ATTACHMENT A

ATTACHMENT B

(Public Benefits Memorandum of Understanding between California Emerging Technology Fund and Charter Communications, Inc.)

(END OF ATTACHMENT B)