



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

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Joint Application of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC, and Bright House Networks Information Services (California), LLC for Expedited Approval of the Transfer of Control of Time Warner Cable Information Services (California), LLC (U-6874-C); and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC (U-6955-C), to Comcast Corporation Pursuant to California Public Utilities Code Section 854(a).

A1404013

Application No. _____

JOINT APPLICATION OF COMCAST CORPORATION, TIME WARNER CABLE INC., TIME WARNER CABLE INFORMATION SERVICES (CALIFORNIA), LLC, AND BRIGHT HOUSE NETWORKS INFORMATION SERVICES (CALIFORNIA), LLC FOR EXPEDITED APPROVAL OF INDIRECT TRANSFER OF CONTROL OF TIME WARNER CABLE INFORMATION SERVICES (CALIFORNIA), LLC (U-6874-C); AND THE PRO FORMA TRANSFER OF CONTROL OF BRIGHT HOUSE NETWORKS INFORMATION SERVICES (CALIFORNIA), LLC (U-6955-C) TO COMCAST CORPORATION, PURSUANT TO PUBLIC UTILITIES CODE SECTION 854(A)

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I. INTRODUCTION

Pursuant to Section 854(a) of the California Public Utilities Code (“PU Code”) and Article 2 and Rule 3.6 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure (“Rules”), Comcast Corporation, Time Warner Cable Inc. (“Time Warner Cable”) on behalf of itself and its wholly-owned subsidiary Time Warner Cable Information Services (California), LLC (“TWCIS (CA)”, and Bright House Networks Information Services (California), LLC (“Bright House California”) (collectively, “Joint Applicants”) submit this joint application (“Application”) to request that the Commission authorize the transfer of indirect, ultimate control of Time Warner Cable’s wholly-owned subsidiary, TWCIS (CA) (U-6874-C) to Comcast Corporation under PU Code Section 854(a). In addition, as is explained below, although Joint Applicants do not believe that Time Warner Cable currently exercises any actual

control over Bright House California, out of an abundance of caution, the Application also seeks authority for the pro forma transfer¹ of Time Warner Cable's indirect, legal interest in the certificate held by Bright House California (U-6955-C).²

As further discussed below, this transaction will enhance consumer welfare and competition and deliver substantial public interest benefits, including greater competition in market segments that neither company can serve effectively on its own today. Comcast Corporation has the requisite financial, technical, and managerial qualifications to acquire control of Time Warner Cable and its subsidiaries and to provide reliable service in California. The transaction will improve competition for residential voice services in California and also will advance competition for business voice and data services. The transaction will not reduce competition because Time Warner Cable and Comcast Corporation do not compete directly with one another in California.³ Further, the proposed transaction will occur at the holding company level, and thus this application does not seek authority for changes to California customers' rates, terms, or conditions, or for direct assignment of certificates, assets or customers.⁴ For these reasons and because the competitive local exchange carriers ("CLECs") at issue in the Application, TWCIS (CA) and Bright House California, face substantial competition in the market for telecommunications services and are relatively small (each company has less than

¹ Joint Applicants here use the term "pro forma" to ensure consistency with related applications filed with the Federal Communications Commission ("FCC") on April 8, 2014.

² Pursuant to PU Code section 5840(m), the Joint Applicants will separately notify the Commission of the change in control of the cable franchises held by Time Warner Cable Pacific West LLC and the pro forma transfer of control of the parent of Bright House California, Bright House Networks, LLC ("BHN").

³ Comcast has identified a limited number of ZIP codes in California in which Comcast and Time Warner Cable both serve customers, but the total number of customers served by both companies in these areas is *de minimis*.

⁴ After closing this transaction, if Comcast wishes to make additional changes that require regulatory approval, such as changes to dba names, rates, terms, or conditions of service, or transfers of customers, Comcast will follow applicable California filing and notice requirements associated with such changes.

\$500M in gross annual California revenues), Joint Applicants request that the Commission approve the transaction expeditiously and without a hearing.

II. DESCRIPTION OF THE PARTIES

A. Time Warner Cable, TWCIS (CA) and Bright House California

1. Time Warner Cable Companies

Time Warner Cable is a publicly traded Delaware corporation with its headquarters located at 60 Columbus Circle, New York, NY 10023.⁵ Time Warner Cable is a leading provider of video, high-speed Internet, and voice services to residential and business customers. Its network facilities cover portions of 31 states, including California, and it faces strong competition in each of those areas for all of its services. Time Warner Cable's broadband infrastructure has enabled it, through its operating subsidiaries, to provide interconnected Voice over Internet Protocol ("VoIP") services through its geographic footprint. Indeed, Time Warner Cable was the first multi-system cable operator – and one of the first service providers – to introduce a mass-market, facilities-based VoIP service, then called Digital Phone, bringing a reliable, feature-rich, competitive voice alternative to residential and business consumers.

TWCIS (CA) is a wholly-owned subsidiary of Time Warner Cable. TWCIS (CA) is a limited liability company organized under the laws of the state of Delaware authorized to do business in California. The company's principal offices are located at 60 Columbus Circle, New York, NY 10023. TWCIS (CA) is authorized to provide limited facilities-based and resold interexchange services as a non-dominant interexchange carrier ("NDIEC") and limited facilities-based and resold local exchange services as a CLEC and in California pursuant to a Certificate of Public Convenience and Necessity ("CPCN") issued by this Commission on March

⁵ No individual or company owns or controls ten percent or more of Time Warner Cable's stock.

16, 2004.⁶ TWCIS (CA) does not itself provide direct end-user voice services. Rather, TWCIS (CA) offers wholesale telecommunications services, including switched access service and local interconnection service, to retail VoIP providers including TWCIS (CA)'s own non-carrier affiliate that provides retail VoIP service, TWC Digital Phone, LLC.

TWCIS (CA) was also recently designated as an Eligible Telecommunications Carrier (“ETC”) for the purposes of offering Lifeline services in D.14-03-038 (issued April 3, 2014). As part of its application for ETC designation TWCIS (CA) stated that “TWC Digital Phone LLC plans to transfer its retail customers to TWCIS (CA) well before it begins offering Lifeline services in California.”⁷ As of the date of this application, no transfer of retail customers has occurred and TWCIS (CA) has not begun offering any Lifeline services to California customers. TWCIS (CA) also offers a wide variety of products and services to business customers, including high-capacity transmission services (such as Metro Ethernet) and backhaul services to wireless customers.

In California, Time Warner Cable, through TWC Digital Phone LLC, currently provides its competitive voice services using VoIP technology to residential and business customers in Time Warner Cable's footprint in Southern California. More specifically, Time Warner Cable serves the five greater Los Angeles area counties of Ventura, Los Angeles, Orange, San

⁶ *In the Matter of the Application of Time Warner Cable Information Services (California), LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resale Competitive Local, IntraLATA and InterLATA Voice Service*, D. 04-03-032 (Mar. 16, 2004). In the Decision TWCIS (CA) was granted a CPCN in the service territories of Pacific Bell Telephone Company (“Pacific”), Verizon California Inc. (“Verizon”), Roseville Telephone Company (“RTC”), and Citizens Telecommunications Company of California, Inc. (“CTC”). Because of various ILEC mergers and sales, TWCIS (CA)'s authorized territory is now the service territories currently served by Pacific doing business as AT&T California (“AT&T”), Verizon, CTC doing business as Frontier Communications of California (“Frontier”), Frontier Communications of the Southwest, Inc. (“Frontier Southwest”), and SureWest Communications (“SureWest”).

⁷ *Application of Time Warner Cable Information Services (California), LLC (U6874C) for Designation as an Eligible Telecommunications Carrier*, A.13-10-019 at 3, fn 6 (Oct. 25, 2013).

Bernardino, and Riverside. Time Warner Cable also serves the desert cities area surrounding Palm Springs, portions of San Diego County, and El Centro, in Imperial County.

Additionally, Time Warner Cable, through its cable and other subsidiaries, offers a wide array of video and high-speed data services, all in competition with the incumbent local exchange carriers (“ILECs”) and other service providers. The companies offer these services using the facilities of Time Warner Cable, as well as, if necessary, third-party infrastructure. Retail customers range from small businesses with a single location to medium-sized and enterprise businesses with multiple locations, as well as government, education, and non-profit institutions.

2. Bright House California

Time Warner Cable also holds an indirect ownership interest in Bright House California (U-6955-C), a Delaware corporation with its principal place of business located at 3701 North Silleet Ave., Bakersfield, CA 93308, although it does not exercise *de facto* control over Bright House California. Bright House California was authorized to provide limited facilities-based and resold interexchange services as an NDIEC and limited facilities-based and resold local exchange services as a CLEC in D.05-06-045.⁸ Bright House California operates as a wholesale telecommunications carrier providing telecommunications services to its direct parent, Bright House Networks, LLC (“BHN”) and other carriers, including backhaul services to wireless

⁸ *Application of Bright House Networks Information Services (California), LLC for a Certificate of Public Convenience and Necessity to Provide Limited Facilities-Based and Resale Competitive Local, IntraLATA and InterLATA Telecommunications*, D. 05-06-045 (June 30, 2005). In this Decision, Bright House California was granted a CPCN in the service territories of Pacific, Verizon, SureWest, and CTC. Because of various sales of incumbent local exchange carriers, the authorized territory is those areas currently served by Pacific doing business as AT&T, Verizon, CTC doing business as Frontier, Frontier Southwest, and SureWest.

carriers. BHN utilizes those wholesale services to provide VoIP, video, and broadband services to subscribers throughout its cable franchise areas, which include Bakersfield and Kern County.

Currently, Time Warner Cable holds 66.67 percent of Time Warner Entertainment Advance-Newhouse Partnership (“TWE-A/N”), which in turn is the sole member of BHN. Time Warner Cable also provides certain services to BHN for an annual fee; however, Time Warner Cable does not share in any of the profits and losses from the operation of the BHN systems in California. Advance-Newhouse Partnership (an entity in which neither Comcast Corporation nor Time Warner Cable holds any legal or economic interest) holds the remaining 33.33 percent of TWE-A/N, but has exclusive day-to-day management responsibility for and *de facto* control over the operation of the BHN entities, including Bright House California. As discussed below, while the transaction technically will effect a transfer of Time Warner Cable’s indirect, legal interest in Bright House California to Comcast Corporation, the transaction will not result in any actual change of control over the Bright House California licenses and authorizations, because Advance/Newhouse Partnership currently has, and after closing will retain, all day-to-day managerial control over, and all economic interest in, all of the licenses and authorizations held by BHN, including the CPCN held by Bright House California.

B. Comcast Corporation

Comcast Corporation is a publicly traded corporation organized under the laws of Pennsylvania. Its principal offices are located at One Comcast Center, Philadelphia, Pennsylvania 19103-2838.⁹ Comcast Corporation is a global media and technology company

⁹ No individual or company holds directly or indirectly a ten percent or more equity interest of Comcast Corporation’s common stock. Brian L. Roberts, Comcast’s Chairman and Chief Executive Officer, has or is attributed with the power to vote stock that represents 33-1/3 percent of the voting power of Comcast’s voting common stock. Mr. Roberts’s voting interest is held primarily through his control of BRCC Holdings, LLC, a Delaware limited liability company of which he is the sole Manager. No other

with network facilities covering portions of 39 states and the District of Columbia. Comcast Corporation is a leading provider of video, high-speed Internet, digital voice, and other next-generation services and technologies to residential customers and small- and medium-sized businesses. Having consistently invented, developed, deployed, and improved a wide range of new technologies and services, Comcast Corporation has established a reputation as an industry leader in communications, technology, financial performance, and operational efficiency.

Through its subsidiaries, Comcast Corporation currently provides voice services to approximately 10.7 million customers, including residential and business subscribers in the United States. Using VoIP technology, Comcast Corporation provides competitive facilities-based voice services that deliver digital-quality phone service, plus enhanced features that are integrated with other Comcast Corporation services. In California, through its non-common carrier VoIP operating subsidiary, Comcast IP Phone II, LLC, Comcast Corporation provides residential and commercial retail interconnected VoIP services throughout the vast majority of Comcast Corporation's cable footprint, which covers the Greater San Francisco Bay Area (including Monterey and Santa Cruz), Sacramento, Fresno and portions of Mendocino, Nevada, Tulare, and Yuba counties. Further, through its common carrier subsidiary, Comcast Phone of California, LLC (U-5698-C), Comcast offers wholesale telecommunications services, including switched access service, local interconnection service to retail VoIP providers (including its VoIP affiliate Comcast IP Phone, LLC) and intrastate Metro Ethernet transport services. Another Comcast affiliate provides interstate transport services pursuant to its interstate authority. Comcast is also active in the wholesale business, particularly with respect to backhaul services for wireless carriers.

individual or entity has or is attributed with, directly or indirectly, a ten percent or greater voting interest in Comcast.

III. DESIGNATED CONTACTS

Questions, correspondence, or other communications concerning this Application should be directed to the following contacts:

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IV. CERTIFICATES OF FORMATION AND FINANCIAL STATEMENTS

Pursuant to Rule 2.2 of the Commission's Rules, a copy of the Certificates of Formation for Time Warner Cable and Comcast Corporation are attached to this Joint Application as Exhibit A. Certificates of Status issued by the California Secretary of State showing that Time Warner Cable and Comcast Corporation are both in good standing are attached hereto as Exhibit B. A copy of the Certificate of Formation for TWCIS (CA) and its Certificate of Status issued by the California Secretary of State were submitted to the Commission as part of TWCIS (CA)'s

CPCN Application (A.03-12-031). A copy of the Certificate of Formation for Bright House California and its Certificate of Status issued by the California Secretary of State were submitted to the Commission as part of its CPCN Application (A.05-03-018).

Pursuant to Rule 3.6(e) of the Commission's Rules, Comcast Corporation's Form 10-K Annual Report (Feb. 12, 2014) which includes the company's most recent annual financial statement is available at http://www.sec.gov/Archives/edgar/data/902739/000119312514047522/d666576d10k.htm#toc666576_11. (A copy of Comcast Corporation's Form 10-K is also attached as Exhibit C). Time Warner Cable's Form 10-K Annual Report (Feb. 18, 2014), which includes the company's most recent annual financial statement, is available at <http://timewarnercable.q4cdn.com/4df09cbc-cdb1-44ad-b461-b192c7f32a61.pdf>. (A copy of Time Warner's Form 10-K is also attached as Exhibit D). Financial statements for TWCIS (CA) and Bright House California were attached to each company's most recent annual reports filed with the Commission on March 31, 2014. Joint Applicants incorporate those statements into this application by reference.

V. DESCRIPTION OF THE TRANSACTION

Comcast Corporation has entered into an agreement with Time Warner Cable whereby Comcast Corporation will acquire 100 percent of Time Warner Cable's equity in exchange for Comcast Class A shares ("CMCSA"). A copy of the Agreement and Plan of Merger is attached (without schedules or ancillary agreements) as Exhibit E. The proposed transaction is a straightforward acquisition of Time Warner Cable. As illustrated in the charts included in Exhibit F, at the closing of the transaction, Tango Acquisition Sub, Inc. ("Merger Sub"), a new direct wholly owned subsidiary of Comcast Corporation, will merge with Time Warner Cable under Delaware law. At that time, the separate corporate existence of Merger Sub will cease, and, thereafter, Time Warner Cable will be a wholly owned subsidiary of Comcast.

Contemporaneously with the merger, each Time Warner Cable share will be converted into the right to receive 2.875 shares of CMCSA.

Given that this transaction is occurring at the holding company level, it will not result in consolidation of the Time Warner Cable and Comcast Corporation operating entities. In California, the Time Warner Cable CLEC, TWCIS (CA) will continue as an operating entity in California and will remain a wholly-owned subsidiary of Time Warner Cable; upon completion of the transaction, TWCIS (CA) and all the other Time Warner Cable subsidiaries will become an indirect, wholly-owned subsidiary of Comcast Corporation. This application does not seek authority for the transfer of customers or for any changes in rates. It is therefore anticipated that the change in indirect ownership of TWCIS (CA) will be seamless to California customers.

As mentioned above, the transaction also will result in the *pro forma* transfer of control Time Warner Cable's indirect interest in the certificate held by Bright House California. Time Warner Cable holds 66.67 percent of TWE-A/N, which in turn is the sole member of BHN. Advance-Newhouse Partnership (an entity in which neither Comcast Corporation nor Time Warner Cable holds any legal or economic interest) holds the remaining 33.33 percent of TWE-A/N, but has exclusive day-to-day management responsibility for and *de facto* control over the operation of the BHN entities. Advance/Newhouse Partnership's interest in TWE-A/N tracks exclusively the economic performance of the BHN operations and, as a result, Time Warner Cable's financial statements do not include the results of the BHN operations. While the Comcast Corporation-Time Warner Cable transaction therefore technically will effect a transfer of Time Warner Cable's indirect legal interest in BHN to Comcast Corporation, the transaction will not result in any actual change of control over the Bright House licenses and authorizations, including the CPCN held by Bright House California, because Advance/Newhouse Partnership

(not Time Warner Cable) currently has, and after closing will retain, all day-to-day managerial control over, and all economic interest in, all of the licenses and authorizations held by Bright House California.

VI. STANDARD OF REVIEW

Joint Applicants respectfully suggest that the merger should be reviewed and approved under PU Code Section 854(a). Section 854(a) requires Commission authorization before any transaction that results in the merger, acquisition, or a direct or indirect change in control of a public utility. That section is clearly applicable here because ultimate, indirect control of a public utility, TWCIS (CA), is changing from Time Warner Cable to Comcast Corporation. Joint Applicants, however, respectfully suggest that neither PU Code Sections 854(b) nor Section 854(c) is applicable to the instant transaction.

As an initial matter it is clear that section 854(b) does not apply. Section 854(b) is triggered only “where any of the utilities that are parties to the proposed transaction has gross annual California revenues exceeding five hundred million dollars (\$500,000,000).” In this case there is no California utility that is a party to the transaction. (*See* Section V above and Exhibits C&D). As a result section 854(b) does not apply. Moreover neither of the utilities impacted by this transaction – TWCIS (CA) or Bright House California -- has gross annual intrastate California revenues exceeding \$500 million.¹⁰

Section 854(c) applies only in circumstances “where any of the entities that are parties to the proposed transaction has gross annual California revenues exceeding five hundred million dollars (\$500,000,000).” Although this section refers more generally to the entities that are

¹⁰ TWCIS (CA)’s 2013 revenues were well under \$500 million, and it is anticipated that even if the retail VoIP revenues of TWC Digital Phone LLC were attributed to TWCIS (CA), TWCIS (CA)’s gross annual California revenues would still be less than \$500 million.

parties to the transaction (as opposed to utilities), in practice the Commission has interpreted this section to apply in those cases where there is a utility impacted by the transaction has gross California revenue in excess of \$500 million.¹¹ However to the extent that the Commission decides that Section 854(c) does apply to the instant transaction, Joint Applicants respectfully request that the Commission waive the applicability of this section. The Commission was afforded significant discretion in Section 853(b) to exempt utilities from the application of PU Code Sections 851-857. In this regard the Commission has specifically found that that the “Legislature intended to grant the Commission significant flexibility in deciding whether to apply §§ 854(b) and (c) to telecommunications transactions.”¹² Towards this end the Commission has consistently exempted NIDEC and CLEC mergers from section 854(b) and (c) review, where the utilities were not subject to traditional cost of service regulation; where there was competition; and where there would be benefits from the merger for California consumers.¹³ The instant transaction clearly meets each of these criteria.

¹¹ See e.g. *In the Matter of the Joint Application of SBC Communications, Inc. and AT&T Corp. for Authorization to Transfer Control of AT&T's Communications of California (U-5002), TCG Los Angeles, Inc. (U-5462), TCG San Diego (U-5389), and TCG San Francisco (U-5454) to SBC, Which Will Occur Indirectly as a AT&T's Merger With a Wholly-Owned Subsidiary of SBC, Tau Merger Sub Corporation*, D.05-11-028, mimeo at 11 (“The § 854(c) inquiry only applies to transactions where any utility that is a party to the transaction has gross annual California revenues exceeding \$ 500 million.”); D.12-06-005(CalPeco transfer), mimeo at 10, fn 5. (“Sections 854(b) and 854(c) apply only when a transacting utility has annual California revenues exceeding \$ 500 million. As shown in Exhibit C of A.11-09-012, CalPeco's annual revenues are less than \$ 100 million.”); D.97-05-092 (MCI-British Telecom), 1997 Cal. PUC LEXIS 340, at *6,*15, and *22 (in which the Commission only considered gross annual California revenues of California-certificated subsidiaries).

¹² D.05-11-028, mimeo at 17, 19, 20 (approving the merger of SBC Communications, Inc. and AT&T Corp. Inc. and citing numerous CPUC Decisions in which NDIEC and CLEC mergers were exempted from section 854(b) and (c) review. See D.05-11-028, mimeo 19-20, fns 25 and 26.

¹³ D.05-11-027, mimeo at 19, fn.26. (Citing 42 cases).

VII. THE PROPOSED TRANSACTION IS IN THE PUBLIC INTEREST UNDER SECTION 854(A)

The primary standard used by the Commission to determine if a transaction should be approved under Section 854(a) is whether the transaction will be “adverse to the public interest.”¹⁴ This transaction will generate substantial public interest benefits, with no countervailing harms, and thus warrants approval.

The transaction will promote the deployment of advanced voice services and enhance competition in the voice marketplace. By permitting Comcast Corporation and Time Warner Cable to combine the best aspects of their robust and innovative voice services, and by adding scale to Comcast Corporation’s overall business that will encourage more network investment in California, approval of this transaction will leave the merged company even better suited to offer an array of advanced voice services in competition with ILECs and other providers.¹⁵

Following consummation of the transaction, Time Warner Cable will continue to offer competitive voice services in California.¹⁶ As noted, although TWCIS (CA) does not currently provide direct end-user voice services, it enables TWC Digital Phone, LLC to do so, including

¹⁴ See *Joint Application of Wild Goose Storage Inc., EnCana Corp., Carlyle/Riverstone Global Energy and Power Fund III, L.P., Carlyle/Riverstone Global Energy and Power Fund II, L.P. and Nisaka Gas Storage US, LLC for Review under Public Utilities Code Section 854 of the Transfer of Control of Wild Goose Storage Inc. from EnCana Corporation to Nisaka Gas Storage, US, LLC and for Approval of Financing under Public Utilities Code Section 851*, D.07-03-047 (Mar. 15, 2007), mimeo at 4, citing *In the Matter of Qwest Communications Corporation, LCI International Telecom Corp., USLD Communications, Inc., Phoenix Network, Inc. and U S West Long Distance, Inc., and U S West Interprise America, Inc.*, D.00-06-079 (Jun. 22, 2000).

¹⁵ The FCC typically considers cable VoIP providers and ILECs to operate in the same voice telephony market segment. See e.g., *Applications Filed for Transfer of Control of Insight Comms. Co. to Time Warner Cable, Inc.*, 27 FCC Rcd 497, 504-05 ¶ 17 (2012).

¹⁶ The focus in this section is on benefits that will inure to Comcast Corporation, Time Warner Cable and their affiliates -- in particular the certificated Time Warner Cable entity, TWCIS (CA) (although not all of the benefits identified in this section will inure to TWCIS (CA)). Because, as is explained above, the transaction will have no impact on the BHN entities, no public interest analysis is necessitated with respect to Bright House California.

by providing connectivity to the public switched network and access to local telephone numbers and other services. Moreover, when TWC Digital Phone, LLC California VoIP customers are moved to TWCIS (CA) (as discussed in Section II.A, above), TWCIS (CA) will directly benefit from the increased size and scope of the combined company and the more robust Internet Protocol (“IP”) network described below. In addition, approval of the transaction will bring Time Warner Cable under the corporate control of an entity that voluntarily reports and performs well under the supplier diversity standards of the Commission’s General Order 156.

A. The Transaction Will Improve Competition for Residential Voice Services

Approval of this transaction will provide voice service customers in California with a more robust competitor, leading to improved services and choices for consumers. Moreover, approval of this transaction will have a positive competitive effect on the services of other voice providers in California.

The transaction will allow Comcast Corporation to integrate the best features of its voice offerings with the best features of Time Warner Cable’s offerings, creating best-in-class voice service offerings. Across its footprint, Comcast Corporation offers its XFINITY Voice customers several enhanced features, including traditional features such as call waiting, three-way calling, and voicemail, as well as newer offerings such as caller ID provided over a television, laptop, or mobile device, and Readable Voicemail. Comcast Corporation also offers customers the ability to send and receive unlimited text messages to and from their XFINITY Voice telephone numbers.

In addition, recent network investments have expanded ways in which customers can access and use voice services. Comcast Corporation has moved to a new advanced and flexible IP Multimedia Subsystem (“IMS”) network architecture. This architecture enables customers to access the service from different locations using a variety of methods and networks, including

not only the wired connections provided by Comcast Corporation, but also Wi-Fi connections and public Internet connections provided by third parties, whether wired or wireless. For example, the IMS network architecture enables “Voice 2go,” which allows users to place calls over a Wi-Fi or data connection from their Comcast Corporation-assigned telephone numbers using an app downloaded to a mobile device, and to receive calls to their home numbers at multiple locations and on multiple devices using the “Advanced Call Forwarding” feature. Combining these features with Time Warner Cable’s already strong VoIP product will produce an advanced, state-of-the art offering.

In addition, both companies have expanded their international reach and calling options. For example, Time Warner Cable recently launched free Mexico calling, and Comcast Corporation has implemented eight different international calling options (as compared to Time Warner Cable’s two), thereby allowing customers to select from a range of possibilities that best meet their family and/or business circumstances. Together, the combined company’s scale and existing relationships will enable it to reach more countries for its customers, and for very reasonable rates.

Over time, the Joint Applicants anticipate incorporating the best aspects of both of their voice products to create a better experience for customers. This will enhance the competitive landscape in California through a wider and expanding set of residential voice services.

B. The Transaction Will Improve Competition for Business Voice and Data Services

Businesses of all sizes will benefit from a substantial increase in much-needed competition and the accelerated deployment of advanced services. The transaction will produce significant public interest benefits by combining the two companies into a stronger, more cost-efficient competitor that can offer new options and aggressively-priced services to small,

medium, and enterprise businesses across a wider area of California, challenging the incumbents that have dominated this marketplace for decades.

Although Comcast Corporation and Time Warner Cable have proven track records in serving the business communities within their respective cable footprints, both companies have faced geographic constraints in attempting to expand in these markets. The combined company will have a larger footprint in California, allowing it to serve California business customers more effectively, as well as super-regional business customers in California and surrounding states. This larger footprint also will enable the combined company to serve larger business customers that may have offices around the country, including California, thus creating new competitive choices for a variety of businesses in California.

Medium-sized and enterprise business customers. The transaction will increase competition for medium-sized and enterprise business customers. The transaction will provide an opportunity for the combined company to offer new competition in these market segments.

Geographic constraints have limited the ability of Comcast Corporation, Time Warner Cable, and other cable companies to compete effectively against incumbent providers with broader scale and scope for larger business customers that have multiple office locations in various states. Where a customer's business spans multiple areas, a cable company with a limited footprint is often not an option at all. And while Comcast Corporation and Time Warner Cable could theoretically partner to serve customers that span the footprints of both companies – and in fact have ongoing efforts to do so – such offerings are often difficult to arrange and manage for both the customer and for the providers. Although some customers are willing to work with an “aggregator” to cobble together multiple providers' offerings to serve their various sites, many customers refuse to use aggregators or are willing to consider such options only

where one provider can serve a majority of the locations using its own network. And customers tend to prefer the higher level of reliability that results when a network is built to a common set of technical standards, is managed by a single network operations center, and offers a single point of contact for technical or other customer-service issues. The combined company's geographic reach will make it a more attractive competitor to these businesses.

Beyond the significant benefits driven by larger scale, the combined company will be able to compete more effectively for medium-sized and enterprise business customers by combining Comcast Corporation's and Time Warner Cable's respective product offerings into a "best of the best" service portfolio, thereby capitalizing on their complementary strengths and marketing expertise.

For example, Comcast currently offers some services to business customers that Time Warner Cable does not, including Comcast Corporation's Business VoiceEdge ("BVE"), which provides web-based PBX functionality with a host of nomadic features. This includes a "Be Anywhere" feature that allows customers to make and receive calls from any device at any location with one phone number, and to use 4-digit extensions to contact colleagues from their mobile phones. BVE also includes "Teleworker," which enables seamless integration of remote and work-at-home employees into a company's phone infrastructure.

Meanwhile, Time Warner Cable, through its NaviSite subsidiary, provides a range of cloud-based solutions that appeal to medium-sized and enterprise businesses, including "customized managed hosting, managed application, and message solutions, along with other related IT solutions and professional services."¹⁷ Time Warner Cable also offers Session Initial Protocol ("SIP") trunking, data center services, and other high-end business services products,

¹⁷ See <http://www.navisite.com/>.

and has received a “Metro Ethernet Forum” 2.0 Certification in all eight Ethernet product categories.¹⁸ In addition, the transaction will make the combined company a more effective wireless backhaul competitor to the ILECs due in part to improved network reach that will allow the company to serve a much higher proportion of a mobile operator’s sites. Combining the complementary products and services offered by Comcast Corporation and Time Warner Cable under a single company will enhance competition in business services in a way neither company can do today.

Small business customers. Comcast Corporation recognized the opportunity to serve small business customers’ voice and data needs several years ago, and since 2006 has aggressively extended its network to enable it to offer small businesses a competitive alternative for their data, voice, and video needs. Comcast Corporation moved swiftly to develop business-class billing, provisioning, and customer interface systems. It recruited an aggressive sales force and built the required service delivery and service assurance expertise and systems. And it brought to thousands of pharmacies, barber shops, dry cleaners, and restaurants a value proposition that was far better than what was previously available. Comcast Corporation’s investments and innovations in this area have led to growing marketplace success.

Time Warner Cable also robustly serves the small business segment in its footprint. As in the case of Comcast Corporation, this market segment accounts for the majority of Time Warner Cable’s business services revenue. But Time Warner Cable also has more experience

¹⁸ See *The MEF Certification Program*, MEF, <http://www.metroethernetforum.org/certification/mef-certification-programs> (last visited Mar. 30, 2014). Comcast was the first service provider to receive CE2.0 certification. See *Comcast Business Services is World’s First CE 2.0 Service Provider*, Telecom Review, http://telecomreviewna.com/index.php?option=com_content&view=article&id=334:comcast-business-services-is-worlds-first-ce-20-service-provider&catid=1:latest-news&Itemid=62 (last visited Apr. 2, 2014). Comcast is certified in six of the eight CE 2.0 categories.

providing advanced services to medium-sized and enterprise businesses because of its presence in the New York and Los Angeles markets, and an earlier start.

Analyst reports have underscored aggressive price competition by Comcast Corporation and Time Warner Cable in the small and medium-sized business segments, with a 2013 research report noting that new entry was decreasing Ethernet pricing for business by 10 percent or more a year.¹⁹ The combined company will be an even more effective competitor against established incumbent providers.

The combined investments and network upgrades that are necessary to serve medium-sized, enterprise, and wholesale wireless backhaul customers across the combined company footprint will also inure to the benefit of small business (and residential customers as well). Since products developed for the medium-sized or enterprise segments can often be offered to or repackaged for small businesses, new product development driven by greater competition for larger businesses will also benefit small business customers. Small businesses will also enjoy the “spillover effects” from the combined company’s investments and plant upgrades made to serve larger businesses.

C. The Transaction Will Not Reduce Competition in California

While the transaction will increase Time Warner Cable’s and Comcast Corporation’s ability to bring competition to the communications marketplace in California, it will not reduce

¹⁹ Insight Research Corp., *US Carriers and Ethernet Services, 2013-2018*, at 5 (Aug. 2013); *see also* TeleGeography, *Global Enterprise Networks: Enterprise Service Pricing*, at 16 (Jan. 2013) (“Median Ethernet market prices remain volatile, fluctuating considerably year to year. . . . With this said however, the long-term price trend is clearly down.”); *id.* at 20 (“As a growing number of carriers offer the service, [Virtual Private LAN Service] prices continue to decline.”); Craig Galbraith, *CableCos Gain Ground in Ethernet, But AT&T, Verizon Still Lead*, Channel Partners, Feb. 12, 2014, <http://www.channelpartneronline.com/news/2014/02/cablecos-gain-ground-in-ethernet-but-at-t-verizon.aspx> (“Cable companies have developed a winning formula for the U.S. business Ethernet market. They are successfully leveraging their on-net fiber footprints to offer aggressive pricing and rapid service provisioning.”).

competition because Time Warner Cable and Comcast Corporation do not compete directly with one another in any part of California.²⁰ In addition, residential and business customers have numerous competitive alternatives for telephone service, high-capacity business services, and wireless backhaul in California. Residential voice competitors include traditional providers of phone service such as ILECs and other CLECs, providers of fixed and nomadic VoIP services, and wireless providers, as well as Vonage and other over-the-top voice service options, and the strong trend in telephony continues to be toward wireless substitution of fixed telephone lines. Other providers of high-capacity business and wireless backhaul services include the ILECs as well as large CLECs such as Level 3. The transaction will not result in the combined company holding a dominant share of the market in California for any of these services.

D. The Transaction Will Be Seamless to Customers

Because the transaction will be conducted at the holding company level, it will be seamless to Time Warner Cable customers. This application does not request authority for the transfer of customers or the assignment or discontinuance of any certificate. After closing this transaction, if Comcast Corporation wishes to make additional changes that require regulatory approval, such as changes to dba names, rates, terms, or conditions of service, or transfers of customers, Comcast Corporation will follow applicable California filing and notice requirements associated with such changes.

As noted above, TWCIS (CA) recently was designated as an ETC in California, but has not begun to offer any Lifeline services as of the date of this application. If TWCIS (CA) offers Lifeline services prior to the transfer of control of TWCIS (CA) to Comcast Corporation,

²⁰ Comcast has identified a limited number of ZIP codes in California in which Comcast and Time Warner Cable both serve customers, but the total number of customers served by both companies in these areas is *de minimis*.

Comcast Corporation acknowledges that it would continue to provide service to Lifeline customers (unless and until the Commission approved an application to relinquish the TWCIS (CA) Lifeline certificate).

VIII. THE PROPOSED TRANSACTION IS IN THE PUBLIC INTEREST UNDER SECTION 854(C)

As is explained above (see section VI, *supra*) Joint Applicants respectfully submit that Section 854(c) does not apply and if Section 854(c) does apply it should be waived consistent with Commission precedent. However, out of an abundance of caution, Joint Applicants have submitted below a brief analysis of the ways in which the Application meets the factors set forth in PU Code Section 854(c) with respect to Comcast Corporation, Time Warner Cable and, in particular, the California-certificated entity, TWCIS (CA). Because, as is explained above, Advance/Newhouse Partnership currently has, and after closing will retain, all economic interest in and control of Bright House California, there will be no change in the financial condition, quality of service, management or employees of Bright House California as a result of the transaction.

A. Maintain or Improve Financial Conditions

As shown in the Financial Statements of Comcast Corporation, provided as Exhibit C to this Application, the Company is in solid financial condition. The subject transaction will not involve the issuance of new debt and the financial condition of Comcast Corporation not be impaired by the proposed transaction. To the contrary, Joint Applicants respectfully submit that the merger will enhance the financial condition of the companies, which in turn will inure to the benefit of TWCIS (CA).

B. Maintain or Improve Quality of Service

The quality of service provided to California customers will not be adversely impacted by the proposed transaction. As explained above, having consistently invented, developed, deployed, and improved a wide range of new technologies and services, Comcast Corporation has established a reputation as an industry leader in communications, technology, financial performance, and operational efficiency.

C. Maintain or Improve the Quality of Management of the California Utility

As noted above, Comcast Corporation has the requisite technical and managerial qualifications to acquire control of Time Warner Cable and its certificated subsidiary TWCIS (CA). Comcast Corporation has superior management capabilities gleaned through its experience providing high-quality service throughout California and other states. Time Warner Cable's subsidiary companies – including TWCIS (CA) – will benefit from this management expertise as a result of the transaction.

D. Fair and Reasonable to the Affected Utility Employees

Because Comcast Corporation has not yet begun transition efforts, it is unable to provide a description of the transaction's impact on TWCIS employees in California. That said, during the integration process, Comcast Corporation will treat Time Warner Cable's and Comcast Corporation's employees fairly.

E. Fair and Reasonable to a Majority of Utility Stockholders

The utility at issue in this Application, TWCIC (CA) has no traditional utility stockholders. That said, Time Warner Cable's stockholders will receive 2.875 shares of Comcast Corporation Class A Common stock for every share of Time Warner Cable stock owned. This will provide reasonable compensation to all current Time Warner Cable stockholders.

F. Beneficial on an Overall Basis

As is explained in detail above, the proposed transaction will generate multiple pro-consumer and pro-competitive benefits including accelerated deployment of existing and new innovative products and services for millions of customers and will be beneficial on an overall basis for both Comcast Corporation and Time Warner Cable and TWCIS (CA).

G. Preserve the Jurisdiction of the Commission

Approval of the change in control will have no adverse effect on the Commission’s jurisdiction over TWCIS (CA) or Bright House California. These telephone corporations will continue to operate in accord with the CPCNs granted by the Commission and will continue to be subject to regulation under the PU Code, and the Commission’s implementing rules and decisions. After closing this transaction, if Comcast wishes to make additional changes that require regulatory approval, such as changes to dba names, rates, terms, or conditions of service, or transfers of customers, Comcast will follow applicable California filing and notice requirements associated with such changes.

IX. CEQA COMPLIANCE

CEQA applies only to “projects,” which are defined as any “activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.”²¹ In contrast, CEQA does not apply where the “activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.”²² The CEQA Guidelines provide for an exemption “[w]here it can be seen with certainty that there is

²¹ See Cal. Pub. Res. Code § 21065.

²² CEQA Guidelines, § 15060(c)(2).

no possibility that the [proposed] activity in question may have a significant effect on the environment.”²³

The Commission has concluded on numerous occasions that a proposed transaction which simply involves the transfer of equity interests did not require CEQA review because in such circumstances there is no possibility that granting the application would have an adverse effect on the environment.²⁴ Likewise in the present application, the proposed transaction is not a request to construct or transfer any physical facilities but rather, involves only an indirect change of control of TWCIS (CA) and a pro forma change in the ownership interest in Bright House California through the transfer of equity interests in these entities’ upstream owners. Thus, the Commission should conclude that the proposed transaction does not require CEQA review because there is no possibility that the proposed transaction will have an adverse impact on the environment.

Accordingly, pursuant to Rule 2.4 of the Commission’s Rules, Joint Applicants request that the Commission make a determination that the proposed transaction is not a project within the meaning of CEQA, California Public Resources Code, Section 21000, *et. seq.*

²³ CEQA Guidelines, § 15061(b)(3).

²⁴ *See, e.g., Application of Terry A. MacRae to Acquire Control of Hornblower Yachts, Inc., a Common Carrier of Passengers by Vessel, by Purchase of the Outstanding Shares of Stock owned by P. Michael Watson Pursuant to PUC Code Section 854(a)*, D. 93-11-002 (Nov. 2, 1993), 1993 Cal. PUC LEXIS 859 at *4 (Commission concluded that the proposed transaction did not require CEQA review, finding that “the proposed transfer will have no adverse effect or impact on the environment because the transaction involves only the transfer of outstanding shares of stock”); *Joint Application of Pacific Pipeline System LLC, Plains All American Pipeline, L.P., and LB Pacific L.P., for Authorization Pursuant to Public Utilities Code Section 854(a) for Transfer of Control of Pacific Pipeline System, LLC from LB Pacific, LP to Plains All American Pipeline, L.P.*, D. 06-09-017 (Sept. 7, 2006), mimeo at 6 (Conclusions of Law No. 3 (the proposed transaction did not require CEQA review based on the Commission’s conclusion that “[s]ince Applicants will be constructing no facilities, it can be seen with certainty that there will be no significant effect on the environment”).

X. ADDITIONAL INFORMATION

A. Customer Transfer Notification

Because TWCIS (CA) and Bright House California will continue to offer services to their customers after consummation of the transaction and there will be no customer transfers, no notice of transfer is required.

B. Certification Per D.13-05-035 and D.10-09-017

The Commission's Decision, D.13-05-035, requires that a telephone corporation seeking to transfer control to include with its application a broad certification that neither applicant nor any of its affiliates, officers, directors, partners, agents, or owners (directly or indirectly) of more than 10% of applicant, or anyone acting in a management capacity has, among other items, held a position with a company that filed for bankruptcy, been found liable for misrepresentations to consumers, or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general. D.13-05-035 provides, however, that if an applicant cannot make this certification, it shall attach relevant documentation.²⁵ Given the size of Comcast Corporation, its numerous affiliates and the large number of employees who might be deemed to be acting in a "management capacity," it would be unreasonably burdensome for Comcast Corporation to make the broad certification provided for in D.13-05-035. Instead, Comcast Corporation has used its best efforts to provide below a certification that is focused on applicant Comcast Corporation and its regulated California utility, Comcast California Phone LLC (U-5696-C), and that covers the last 5 years. This certification is provided based on a reasonable investigation, is made to the best of the company's knowledge and is verified by the attached Comcast Corporation verification.

²⁵ D.13-05-035 at 40.

1. Comcast Corporation has not (a) filed for bankruptcy; (b) been convicted of a felony; (c) been (to its knowledge) the subject of a criminal referral by judge or public agency; or (d) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction.
2. Comcast Corporation and its affiliates have been investigated by and/or had complaints filed against it at the Federal Communication Commission (“FCC”) for failure to comply with FCC Rules and/ or provisions of the Communications Act. Comcast Corporation has also been subject to investigations and/or complaints by state attorneys general and other regulatory agencies.
3. Comcast Corporation has entered into settlement agreements that included voluntary payments or monetary forfeitures to resolve actions by federal and state regulatory agencies and attorneys general, including at least one case that may have involved a “statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others.”
4. Comcast Corporation’s public utility operating subsidiary in California, Comcast Phone of California, LLC (U-5698-C), and other Comcast affiliates are currently the subject of an investigation before this Commission for the inadvertent release of certain VoIP customers’ non-published directory listings. (See I.13-10-033 alleging violations of the PU Code and the California Constitution.) In addition, Comcast Corporation and its affiliates are the subject of pending investigation by the California State Attorney General’s office into the same matter in which the Deputy Attorney General assigned to the case has indicated that the office is considering violations of sections 17200 *et seq* of the California Business & Professions Code.
5. Comcast Corporation’s public utility operating subsidiary in California, Comcast Phone of California, LLC (U-5698-C), has also been the subject of complaint proceedings before this Commission alleging violations of the PU Code and/or the Commission Rules. Any decisions in these proceedings are known to the Commission.
6. *Documentation:* Comcast Corporation is required to file annual and quarterly reports with the Securities and Exchange Commission (“SEC”). As required by applicable SEC rules, Comcast Corporation discloses material legal proceedings in these reports. The attached link: <http://www.cmcsa.com/sec.cfm?DocType=&DocTypeExclude=&SortOrder=FilingDate%20Descending&Year=&PageNum=1> provides the Commission with these filings dating back more than ten years. These filings also provide the Commission with information concerning the backgrounds of Comcast Corporation’s current directors and officers and its financial statements. In addition a list of significant FCC and state Commission complaints/investigations and their outcomes (settlements or decisions) for the last 5 years is attached hereto at Exhibit G.

C. Request for Expedited Approval and Rule 2.1(c) Schedule

This Application, as well as the underlying transaction, in and of itself should have no adverse effect on any California customers. As demonstrated above, the Section 854 authority requested will not change the manner in which TWCIS (CA) or Bright House California will provide service to the consumers they serve. Nor will the authority requested change the rates paid by these customers or the terms and conditions of service.

Accordingly, Joint Applicants respectfully submit that the information presented in this Application is sufficient to permit the Commission to rule on the proposed transaction and, further submit that this matter is appropriate for expedited approval.

D. Procedural Requirements

1. Rule 2.1(c) Categorization and Determination of the Need for Hearings

Joint Applicants propose that this proceeding be categorized as ratesetting consistent with Rule 7.1(e)(2), Rule 1.3(e) and Commission precedent. The Joint Applicants submit that hearings are unnecessary in this proceeding and that the information included in this Joint Application enables the Commission to “reach findings on all issues that California statutes require the Commission to address” when evaluating a Section 854(a) application.²⁶ Joint Applicants accordingly request that the Commission evaluate their request based on this submission and absent any need to conduct an evidentiary hearing. Such an approach is

²⁶ *Application of Comcast Business Communications, Inc. for Approval of the Change of Control of Comcast Business Communications, Inc.*, D.02-11-025 mimeo at 36 (Nov. 7, 2002), (in approving the acquisition of AT&T Broadband by Comcast, the Commission explained its denial of request by protesting parties that hearings were necessary stating, “[t]he structure of this decision, which addresses each provision of the guiding and controlling statutes, demonstrates that there is no need for hearings.”).

consistent with the process used by the Commission in other CLEC/NDIEC transfer of control applications – even those involving large corporations.²⁷

2. Proposed Schedule:

April 11, 2014	Application Filed
April 15, 2014	Notice of Application of Filing Appears on Commission’s Daily Calendar
May 15, 2014	Period for Submission of Protests Expires
May 27, 2014	Reply to Protests (if any)
June 9, 2014	Prehearing Conference (if necessary)
June 12, 2014	Scoping Memo Issued
July 11, 2014	Proposed Decision (“PD”) Issued
July 31, 2014	Comments on PD ²⁸
August 5, 2014	Reply Comments on PD
August 14, 2014	Decision Adopted

3. Rule 2.1(c) Determination of Issues to Be Considered

The only issue to be considered is whether the indirect transfer of control of TWCIS (CA) and the pro forma transfer of Time Warner Cable’s interest in the Bright House California is in the public interest consistent with PU Code Section 854(a).

4. Compliance with Procedural Requirements

This section cross-references compliance with the Rules applicable to this Application:

²⁷ See e.g. *In the Matter of the Joint Application of Verizon Communications, Inc. (Verizon) and MCI, Inc. (MCI) to Transfer Control of MCI's California Utility Subsidiaries to Verizon, Which Will Occur Indirectly as a Result of Verizon's Acquisition of MCI*, D.05-11-029 (Nov. 18, 2005).

²⁸ If no protests are filed and the Commission grants the relief requested, Joint Applicants request that the Commission waive the comment period on a proposed decision in this proceeding as an uncontested matter under Commission Rule 14.6(c)(2).

Rule	Requirement	Section/Exhibit
2.1 (a)	Legal Name and Address	II.
2.1(b)	Persons to Receive Notice	III.
2.1(c)	Categorization/Hearing/Proposed Schedule	IV.A.
2.2	Formation Agreements and Qualifications to Transact Business	Exhs. A, B
2.3/3.6(e)	Financial Statements	Exh. C, D
2.4	CEQA	VII.
3.6(a)	Character of Business	II.
3.6(b)	Description of Property	II.
3.6(c)	Reasons for Transaction	V.
3.6(d)	Terms of Transaction	V.
3.6(f)	Transaction Documents	Exh. E

XI. CONCLUSION

For the reasons stated above, Joint Applicants submit that the public interest, convenience and necessity will be furthered by approval of this Application and respectfully request expedited

LIST OF EXHIBITS

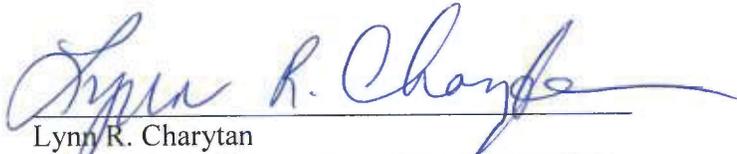
- | | |
|-----------|--|
| Exhibit A | Certificates of Formation of Comcast Corporation and Time Warner Cable |
| Exhibit B | Certificates of Status of Comcast Corporation and Time Warner Cable |
| Exhibit C | Form 10-K, Annual Report of Comcast Corporation (February 12, 2014) |
| Exhibit D | Form 10-K, Annual Report of Time Warner Cable (February 18, 2014) |
| Exhibit E | Agreement and Plan of Merger |
| Exhibit F | Pre and Post Transaction Structure |
| Exhibit G | Significant Comcast FCC/PUC Complaints/Investigations |

VERIFICATION

I, Lynn R. Charytan, hereby declare that I am the Senior Vice President, Legal Regulatory Affairs, of Comcast Corporation and am authorized to make this verification on its behalf. I have read the foregoing Application; and the information set forth therein is true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 9th day of April, 2014, at Washington, District of Columbia.

A handwritten signature in blue ink, reading "Lynn R. Charytan", with a long horizontal flourish extending to the right.

Lynn R. Charytan
Senior Vice President, Legal Regulatory Affairs
Comcast Corporation

VERIFICATION

I, Julie Laine, hereby declare that I am the Group Vice President & Chief Counsel, Regulatory, of Time Warner Cable, Inc. and the Group Vice President & Chief Counsel, Regulatory, and Secretary of Time Warner Cable Information Services (California), LLC and am authorized to make this verification on their behalf. I have read the foregoing Application; and that the information set forth therein is true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the forgoing is true and correct.

Executed this 11th day of April 2014, at New York, NY.



Julie P. Laine
Group Vice President, Chief Counsel, Regulatory
Time Warner Cable, Inc.

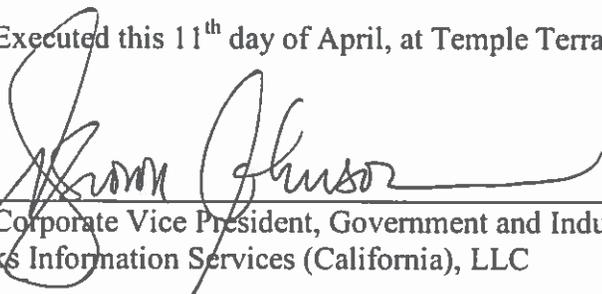
Group Vice President, Chief Counsel, Regulatory and Secretary
Time Warner Cable Information Services (California), LLC

VERIFICATION

I, Marva Johnson, hereby declare that I am the Corporate Vice President, Government and Industry Affairs of Bright House Networks Information Services (California), LLC and am authorized to make this verification on its behalf. I have read the foregoing Application; and that the information set forth therein is true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the forgoing is true and correct.

Executed this 11th day of April, at Temple Terrace, Florida.

A handwritten signature in black ink, appearing to read "Marva Johnson", is written over a horizontal line. The signature is fluid and cursive.

Corporate Vice President, Government and Industry Affairs Bright House Networks Information Services (California), LLC