



# California Public Utilities Commission

505 Van Ness Avenue, San Francisco, CA 94102

## News Release

FOR IMMEDIATE RELEASE

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### **PUC ISSUES FIRST VIDEO FRANCHISE TO TRADITIONAL CABLE OPERATOR**

SAN FRANCISCO, April 27, 2007 – The California Public Utilities Commission (PUC) today determined that the video franchise application filed by Cox Communications under state legislation passed last year is complete, and issued a state franchise to the company. The PUC previously issued two franchises to large phone companies interested in competing with incumbent video service providers such as Cox. This is the first instance where an existing provider, operating thus far with traditional franchises issued by cities and counties, has sought a state-issued franchise. This state franchise will allow Cox to compete not only with the incumbent phone companies, but with an incumbent cable company.

“Traditional cable operators have rarely competed with each other. Although the franchise we are issuing today provides for Cox to serve only four relatively small areas adjoining its existing service territory in the San Diego area, we may well see this type of competition happening on a more widespread basis as a result of the new state legislation,” said PUC President Michael R. Peevey. “This is good news for consumers, who will have additional choices of providers not only for video service, but for the broadband and telephone services that typically are offered over the newly-constructed cable facilities. The Legislature’s goal was to foster video competition and broadband deployment, and that is exactly what we see beginning to happen.”

The PUC officially launched the state video franchise application process at its March 1, 2007 meeting, in a unanimous decision with all five PUC Commissioners voting. Under the terms of the Digital Infrastructure and Video Competition Act (AB 2987) passed in late 2006, the franchising process has been simplified and sped up significantly, with many barriers to competition eliminated.

More information on video franchising, as well as a description of the new Cox territory, is available at [www.cpuc.ca.gov/static/hottopics/2telco/videofranchising.htm](http://www.cpuc.ca.gov/static/hottopics/2telco/videofranchising.htm).

For more information on the PUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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