

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



FILED

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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 Telecom, LLC (U-5684-C).

Application 25-07-016

**MOTION OF JOINT APPLICANTS ON
JOINT SETTLEMENT ELECTION OF PROPOSED DECISION**

Pursuant to Section 14.3 of the Proposed Decision of Administrative Law Judge (“ALJ”) Ormond (“PD”), issued on July 9, 2026, Joint Applicants¹ timely file this motion requesting other relief. The PD proposes to create a new, single “Joint Settlement” that “supersedes the terms of” two separate settlement agreements entered into by Charter with the Public Advocates Office at the California Public Utilities Commission (“Cal Advocates”) and the California Emerging Technology Fund (“CETF”) (together, the “Settlement Agreements” or “Settlements”).² The ALJ’s Proposed Joint Settlement supersedes the commitments in the Settlements with both materially modified terms and entirely new ones that were not contemplated by either Settlement.³ The PD also requires Settling Parties, within 15 days after service of the PD and *prior* to

¹ The term “Joint Applicants” means, collectively, Charter Communications, Inc. (“Charter”), Charter Communications Holdings, LLC (“Charter Holdings”), Cox Enterprises, Inc. (“CEI”), and Cox California Telecom, LLC (U-5684-C) (“Cox California”). The term “Joint Application” means the application submitted by Joint Applicants on July 30, 2025.

² See Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement, Exhibit 1 (Apr. 30, 2026) (“Cal Advocates Settlement”); see Joint Motion of Charter Communications, Inc. and California Emerging Technology Fund for Adoption of Settlement Agreement, Exhibit 1 (Apr. 30, 2026) (“CETF Settlement”). Charter, CETF, and Cal Advocates are referred to collectively as “Settling Parties.”

³ PD at 89–93.

submission of opening comments,⁴ to file a motion either agreeing to the ALJ’s Proposed Joint Settlement terms or requesting other relief.

The Alternate Proposed Decision Granting Indirect Transfer of Control Subject to the Settlement Agreements and Mitigation Measures (“APD”), also issued on July 9, 2026, instead, according to the Digest of Differences Between the Proposed Decision of Administrative Law Judge Jamie Ormond and the Alternate Proposed Decision of Commissioner Matthew Baker, “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.”⁵ Both decisions remain pending before the full Commission. Consistent with California law,⁶ the PD and APD are both subject to concurrent public review and comment before the Commission’s anticipated consideration on August 13, 2026.

The terms of the ALJ’s Proposed Joint Settlement exceed the statutory authority of the Commission, and they are not necessary to meet the public interest standard under Section 854 of the Public Utilities Code. Joint Applicants will more fully explain, in their comments that will be submitted on July 29, 2026, in accordance with the Commission’s Rules,⁷ why the terms of the PD are unreasonable and are inconsistent with the Settlements negotiated with Cal Advocates and CETF. However, because the PD and APD remain pending before the Commission and are not the subject of a final Commission action (and for the other reasons stated in this motion), Joint Applicants cannot assent to the ALJ’s Proposed Joint Settlement, which would effectively

⁴ Consistent with Rule 14.3, opening comments on the PD and alternate proposed decision are due July 29, 2026, and reply comments are due August 3, 2026.

⁵ PD, Digest of Differences Between the Proposed Decision of Administrative Law Judge Jamie Ormond and the Alternate Proposed Decision of Commissioner Matthew Baker at 2.

⁶ Cal. Pub. Util. Code § 311(d)–(e).

⁷ *See supra* n.4. All references to “Rules” herein refer to the Commission’s Rules of Practice and Procedure.

supersede the Settlements that the APD would accept, thereby creating an unnecessary procedural conflict before the Commission has decided the appropriate resolution of this proceeding.

Joint Applicants respectfully submit that further consideration of the ALJ's Proposed Joint Settlement in this motion, prior to the Commission's independent, deliberative review process, would be premature and procedurally improper, as set forth below. This motion therefore requests that the Commission hold in abeyance any consideration of alternative terms, to the extent necessary, until it can take final action.

I. Acceptance or rejection of the ALJ's Proposed Joint Settlement prior to Commission consideration of the PD and APD would unnecessarily interfere with the Commission's deliberative process and risk conflict with California law.

Requiring Settling Parties to accept or reject the ALJ's Proposed Joint Settlement *prior to* the full Commission's review of either the PD or APD is inconsistent with the intent of the Commission's independent, deliberative process embodied in California law.⁸ Under Cal. Pub. Util. Code § 311, the Commission generally may not issue its decision sooner than 30 days after filing and service of a proposed or alternate proposed decision. Acceptance or rejection of the ALJ's Proposed Joint Settlement now, 15 days after filing and service of the PD and APD and before the Commission acts, would risk depriving the Commission of a meaningful opportunity to consider the APD on its own terms and would *direct* its deliberation rather than *preserve* it. This is because the ALJ's Proposed Joint Settlement, by the terms of the PD, would supersede and materially alter the Settlements, as opposed to the APD, which accepts them.

Nothing in Rule 12.4 requires parties to accept or reject alternative settlement terms before the Commission issues a final decision, and the Commission has historically deferred motions or

⁸ Cal. Pub. Util. Code § 311(d)–(e).

notices of that kind until after a final disposition,⁹ *not* prior to the Commission’s consideration of competing proposed decisions. Therefore, there is no basis to undertake the acceptance of the ALJ’s Proposed Joint Settlement, which would preclude the Commission from considering the issues as the APD’s proposed to resolve them in accordance with the Settlement Agreements.

The potential inconsistency with California law would also impair Settling Parties’ ability to participate effectively in the comment process on the PD and APD. Cal. Pub. Util. Code § 311(e) requires that an alternate proposed decision “shall be subject to public review and comment before it may be voted upon,” and Rule 14.3 establishes formal timelines and processes for comments on proposed and alternate proposed decisions. Because the PD requires this motion before those comment processes begin, it risks preventing the Settling Parties from preserving their ability to support the APD’s adoption of the Settlements, which were the product of substantial, lengthy negotiations that Settling Parties believe to be reasonable in light of the entire record, consistent with applicable law, and in the public interest.¹⁰ Electing to assent to an ALJ’s Proposed Joint Settlement, by its terms, would unilaterally supersede those Settlements. Compelling Settling Parties to preemptively accept or reject the ALJ’s Proposed Joint Settlement would therefore substantially impair their ability to present their position effectively in this proceeding, deprive the Commission of the fully informed comment process established by California law, and risk

⁹ See, e.g., *Re Frontier Commc’ns Co.*, D.21-04-008 at 11; *Re Frontier Commc’ns Co.*, D.21-03-043, Ordering Paragraph 6; *Re Pac. Gas and Elec. Co.*, D.20-12-005 at 341. This is consistent with Rule 12.4, under which “the Commission” may reject a settlement or propose alternative terms.

¹⁰ Settlement Reply Comments of the Public Advocates Office at 1–2 (June 16, 2026) (“The existing record developed through testimony and evidentiary hearings is substantial and demonstrates that the Agreement is in the public interest without the need for additional evidence or hearings. The record in this proceeding makes clear that the Agreement is reasonable, advances the public interest, and is fully consistent with applicable law.”); Settlement Reply Comments of CETF at iii–iv, 6 (June 16, 2026) (“After months of negotiations, CETF contends its and Cal Advocate’s settlements transformed the transaction by securing concrete, measurable, and enforceable commitments that directly respond to the issues that were litigated ... [b]oth settlements are reasonable, lawful and in the public interest....”).

mooting the treatment of the Settlements in the APD before the full Commission has had any opportunity to consider it. Holding the matter in abeyance would avoid that unnecessary conflict, preserve the Rule 14 comment process and Joint Applicants' right to offer their opposition to the PD, and allow the Commission to make its decision based upon a complete record.

II. Combining the Settlements through a combination of Rules 1.2 and 12.4(c) is unprecedented and unnecessary.

The PD states that creation of the ALJ's Proposed Joint Settlement, which supersedes the terms of the two individual party settlements, is "necessary to address the subordination clause contained within the Joint Applicant/CETF [S]ettlement [A]greement and potential inconsistencies between the [S]ettlement [A]greements."¹¹ The PD further asserts that its "authority to modify the Settlements rests in Rules 12.4(c) and 1.2," reasoning that "Rule 1.2 allows us to liberally construe Rule 12.4(c) to secure a just, speedy, and inexpensive determination of the issues presented, to the extent permitted by statute."¹² Joint Applicants are not aware of any prior instance in which the Commission, or a reviewing court, has construed Rule 1.2, which permits deviations from the Rules in "special cases and for good cause shown," to allow the Commission to construe Rule 12.4(c), which permits it to "[p]ropose alternative terms to the parties to the settlement," as authority to create the new, consolidated ALJ's Proposed Joint Settlement that no party negotiated or executed. Joint Applicants have identified no precedent construing these Rules to authorize the Commission to (i) combine two different Settlements into a single, unified agreement that was neither signed nor executed by any of the Settling Parties;¹³

¹¹ PD at 89.

¹² PD at 88–89.

¹³ This approach also raises a question under Rule 12.1(a), which requires a settlement in an application to be signed by the applicant, because no applicant has signed the ALJ's Proposed Joint Settlement envisioned by the PD.

(ii) supersede twenty Settlement terms and incorporate them in the ALJ's Proposed Joint Settlement with material revisions; and (iii) add five *new* provisions not contemplated by either Settlement, which the PD, without explanation, deems necessary to make the ALJ's Proposed Joint Settlement "acceptable."¹⁴

As a threshold matter, Charter reiterates its commitment to performing both Settlement Agreements in accordance with their terms and fulfilling its obligations to both CETF and Cal Advocates, as negotiated, and Joint Applicants do not oppose the manner in which the APD adopts these Settlements.¹⁵ *However*, the Incorporation of Other Commitments provision in the CETF Settlement, which the PD characterizes as a "subordination clause" could not provide a necessary basis to supersede the Settlements, because as Joint Applicants explained in their reply comments on the Settlements, the "subordination clause" serves only to clarify that the CETF Settlement governs only Charter's obligations to CETF, and only CETF; it has no impact on Charter's obligations to Cal Advocates.¹⁶ The provision was included only as a routine matter of legal drafting¹⁷ because the *separate* Settlement Agreements address the *same* subject, and one (the CETF Settlement) incorporates by reference additional terms from the other (the Cal Advocates

¹⁴ The only decision the PD cites as precedent is materially distinct. *See* PD at 89 & n.248 (citing D.20-02-036). D.20-02-036 is entirely distinguishable from the present case, insofar as it *did not* involve a proceeding in which there were competing proposed and alternate proposed decisions before the Commission for consideration; rather, it involved an investigation addressed through a presiding officer's decision that did not require full Commission review unless the parties sought an appeal thereof to the full Commission, which they did not. This offers no precedential basis here. Even if there were no competing decisions currently pending in this proceeding, the Commission in D.20-02-036 made only five targeted modifications to a single settlement; it did not combine separate agreements into a Commission-created joint settlement, nor did it add entirely new terms.

¹⁵ APD at 43 (stating "we clarify that the Joint Applicants-Cal Advocates Settlement Agreement will be the controlling agreement governing low-income offerings for the post-merger company").

¹⁶ Joint Applicants' Reply Comments in Support of Settlements (June 16, 2026) at 17–18 ("Settlement Reply Comments").

¹⁷ *See, e.g., Remedial Constr. Servs., LP v. AECOM, Inc.*, 65 Cal. App. 5th 658, 664 (2021) (enforcing a contractual clause that incorporated a separate agreement by reference that resolved any "conflict, variation, or inconsistency" between provisions of the two agreements).

Settlement). Further, California law is clear that a conflicts clause in a contract with one party does not relieve a person of their obligations under another contract with a *different* party.¹⁸ Moreover, Joint Applicants have already stated in the record that, “[f]or the avoidance of doubt, Charter confirms that it will perform both Settlement Agreements according to their terms and that the CETF Settlement will be interpreted consistently with the agreement CETF negotiated.”¹⁹

Charter reaffirms its unambiguous intent to perform fully, and in full compliance with, each of the Settlements. To the extent further clarification is desired beyond Charter’s existing unqualified statement of intent, the APD proposes a prudent path forward *without* otherwise upsetting the Settlements,²⁰ much less fashioning the entirely new Proposed Joint Settlement with entirely new terms. The PD’s proposed remedy therefore raises novel procedural and legal questions insofar as it departs materially from the ordinary treatment of settlements under the Commission’s Rules, creating a new way of incorporating settlement terms *before* the Commission has even considered them. The departure from the rules could not be “necessary,” nor an approach to resolve the issues presented, when (i) the ALJ PD’s stated justification its proposed remedy has already been addressed in the existing record, and (ii) the APD addresses the issues in a manner that is *far less* disruptive and that is consistent with the Commission’s precedent favoring settlements.²¹

¹⁸ See, e.g., *Colaco v. Cavotec SA* 25 Cal. App. 5th 1172, 1202-03 (2018) (refusing to apply a provision of one contract to a party only subject to another separate contract).

¹⁹ Opening Comments of The Utility Reform Network on the Joint Motion of Charter and Public Advocates Office for Adoption of Settlement Agreement at 4–6 (June 1, 2026); Settlement Reply Comments at 17–18.

²⁰ APD at 43, Ordering Paragraphs 2–3 (accepting the Settlements subject to clarification).

²¹ Decades of Commission precedent support a strong public policy favoring the settlement of disputes. Settlement Reply Comments at 1–3 (referencing relevant cases going back to 1988). Joint Applicants raise these points to preserve them for the record. Indeed, to the extent the Commission adopts the APD, any procedural concerns regarding the PD’s approach to superseding the Settlements and the ALJ’s Proposed Joint Settlement will become moot.

III. Conclusion

For the foregoing reasons, Joint Applicants respectfully request that the Commission defer any requirement that Settling Parties accept or reject the ALJ's Proposed Joint Settlement and hold any further consideration of alternative settlement terms in abeyance, to the extent necessary, until the Commission has completed its consideration of the PD and APD. Such relief would preserve the Commission's ability to consider both the PD and APD through the ordinary comment process and would avoid unnecessary procedural conflict, as described herein.

Respectfully submitted,

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