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**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 (U-5684-C)	Application 25-07-016

JOINT APPLICANTS' REPLY COMMENTS ON ALTERNATE PROPOSED DECISION OF COMMISSIONER MATTHEW BAKER

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Pursuant to Rule 14.3 of the Commission's Rules, Joint Applicants[1] respectfully submit these reply comments on the APD issued by Commissioner Matthew Baker on July 9, 2026. Joint Applicants reiterate their strong support for the APD, as modified by their modest revisions, and greatly appreciate the Commission's schedule permitting final action on August 13, 2026.

I. INTRODUCTION

The APD correctly finds that the Transfer, with the Settlements, serves the public interest, and, "paired with the mitigations" that Joint Applicants accept (subject to modest revisions), *also* "address[es] concerns raised by parties outside the [Settlement A]greement[s]."[2] The Settlements' affordability commitments alone provide well over 400,000[3] low-income California households with five years of *net-free* broadband and an *estimated $1.344 billion* in savings on internet, plus Charter's unprecedented statewide promotional pricing commitments saving Californians almost $600 million every year.[4] *Beyond* these savings, Charter's other investment of hundreds of millions of dollars will deliver significant added benefits, including to ESJ communities.[5]

Non-Settling Intervenors[6] ask the Commission to ignore these substantial benefits and either delay its vote or deny the Transaction,[7] effectively delaying and depriving hundreds of thousands of low-income Californians access to free broadband service and *billions* in savings. Yet they demonstrate no credible, countervailing Transfer-specific harm that the APD does not already address.[8] Instead, they resort to false and inflammatory claims[9] while urging the Commission to deny ESJ communities billions in savings unless the agency either recycles conditions from *unrelated* transactions based on entirely different records, or imposes conditions designed to achieve broader policy objectives, not address any harm arising

[1] Capitalized terms have the meanings given in Joint Applicants' APD Comments. All cites to "Comments" or "Reply Comments" refer to comments on the ALJ PD and/or APD filed July 29, 2026, unless stated otherwise.
[2] APD at 49.
[3] *Id.* at 32; Cal Advocates Opening Brief at 5; *see also id*. at 9 (the promotional pricing commitments "will make California the first state to implement [these] broadband pricing protections").
[4] Joint Applicants' APD Comments at 2 & n.4.
[5] This includes: $30 million to digital inclusion and adoption programs benefiting ESJ communities; $5 million in CDFI lending for undercapitalized ESJ-community businesses; $2 million for veteran workforce development; $1.5 million to advertise the low-income service tiers; and free 500/20 Mbps service to 50 community anchor institutions. CETF PD and APD Comments at iv; Joint Applicants' Reply Brief at 2, 30-33.
[6] "Non-Settling Intervenors," refers collectively to Joint Advocates, TURN, the Media Alliance, and National Institute for Workers' Rights ("NIWR").
[7] Joint Advocates' Motion to Support at 6.
[8] APD at 48, 49.
[9] *See, e.g.*, Joint Advocates' PD and APD Comments at 13 (asserting that Charter has shown a "lack of responsiveness to, of [sic] not outright disdain for" ESJ communities).

from this Transaction.[10] Non-Settling Intervenors ignore that both Cal Advocates and CETF are sophisticated parties with extensive experience, expertise, and a mission to represent and protect low-income Californians, and that these entities settled with Charter *only* because of the robust, enforceable public interest benefits Charter committed to deliver to those communities.

The Commission should reject Non-Settling Intervenors' efforts as unsupported and unnecessary, given that the APD with proposed modifications resolves all credible concerns. Joint Applicants urge the Commission to adopt a five-year term for the APD's additional mitigation measures, which CETF confirms is "consistent with five year terms of commitments in prior settlements,"[11] and to accept CETF's recommendation to adopt the APD, with limited modifications, "without delay."[12]

II. NON-SETTLING INTERVENORS PRESENT NO CREDIBLE BASIS TO REJECT THE SETTLEMENTS AND THE RESULTING PUBLIC INTEREST BENEFITS, INCLUDING FIRST-OF-ITS-KIND BENEFITS FOR ESJ COMMUNITIES

TURN discredits the APD's discussion of the Settlements, including its conclusion that "[c]ustomers *across* the post-merger company footprint," including the over 400,000 low-income-eligible households in Charter's (roughly 397,000) and Cox's (roughly 32,000) service areas, will "reap the benefits of low-income service offerings."[13] However, the Settlements, with the APD's additional mitigation measures with Joint Applicants' revisions, supply concrete, enforceable commitments, amply satisfying Section 854. Demands for more conditions are unsupported, would upset the balance of careful negotiation, and jeopardize the Transaction.[14]

Unnecessary and Baseless Infrastructure Proposals. No record evidence of harm warrants infrastructure conditions beyond the Settlements. TURN proposes a new ordering paragraph requiring deployment to 8,000 unserved and underserved locations, but provides no record citation for that figure, no analysis of what this incremental build would cost, and no evidence that Charter's or Cox's footprint would yield that many locations after accounting for BEAD-funded builds. This demand is neither economically feasible, as no provider has connected these locations without subsidies, much less using fiber,[15] nor reasonable, as California just awarded all unserved and underserved locations to *subsidized* providers. Federal approval of California's BEAD plans moots requests for any further deployment

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[10] Joint Applicants' APD Comments at 1-2, 4.
[11] CETF PD and APD Comments at 6 & n.17.
[12] *Id.* at iv.
[13] APD at 32 (emphasis added).
[14] Joint Applicants' Opening Brief at 3.
[15] Joint Applicants' Reply Brief at 29; Joint Applicants' PD Comments at 8.

condition.

TURN separately asks the Commission to accelerate Charter's network upgrade commitment to 18 months and expand it to Cox areas because it says that Charter already offers gigabit service.[16] But TURN factually conflates the gigabit *download* speeds that Charter's network offers today with the *symmetrical* gigabit speeds that are the focus of Charter's multi-year $275 million commitment in its footprint.[17] Beyond resting on a faulty factual assertion, the record contains no evidence about equipment and labor availability, cost, or feasibility of accelerating and expanding this commitment into Cox areas.

Mischaracterization of the APD's Tribal Findings and Benefits. TURN inaccurately asserts that the APD "fails to discuss the impact of the proposed transaction on Tribes." The APD adopts Charter's Settlement commitments to expand Tribal outreach and engagement, designate a dedicated Tribal liaison, and consult with affected Tribes on California investments and deployment activities.[18] CETF explains that these commitments offer "a clear public benefit" to support the Commission's "efforts to assist Tribes in obtaining improved communications capabilities, consistent with the ESJ Action Plan."[19] Moreover, although Charter serves Tribes in other states, it has no franchise authority in California to provide residential service to any Tribes, so TURN's proposed conditions are by definition not Transfer-specific.[20]

The Commission should also reject as unnecessary and unsupported TURN's proposals to institute an "Indian preference in hiring," impose a Tribal right of first offer over dispositions requiring Section 851 approval, and conduct Tribal supplier outreach for ten years. Each is a policy preference that does not reflect any Transfer-specific harm. The hiring-preference proposal misstates its legal foundation; Title VII § 703(i) provides a narrow *exemption* for employers on or near a reservation, *not* authority to direct hiring preferences across a statewide workforce.[21] The right-of-first-offer proposal is premised on a requirement TURN incorrectly attributes to the Verizon/Frontier proceeding, which in fact preserved a pre-existing

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[16] TURN APD Comments at 3; *id.* Appendix A at A-2.

[17] TURN PD Comments at 4; TURN APD Comments, Appendix A at A-2. TURN also appears not to understand that DOCSIS 4.0 deployment is distinct from these upgrades.

[18] Charter has further committed to (i) meet with Tribes CETF identifies within 60 days of a request and annually thereafter, and (ii) send each identified Tribal government an annual written invitation, including to discuss any capital investments or deployment activities. CETF Settlement at 11-12.

[19] CETF Reply Comments on Settlements at 18-19.

[20] Tr. Vol. 6 (Falk) at 685:25-686:2 (Apr. 21, 2026). TURN's claim that "Charter serves Tribes" mischaracterizes the record; the data response TURN cites explained that areas designated Tribal in third-party data may not be under Tribal jurisdiction. *See* Joint Applicants' Reply Brief at 33 & n.185.

[21] Title VII § 703(i), codified at 42 U.S.C. § 2000e-2(i).

condition from the Frontier bankruptcy inapplicable to Charter, its circumstances, or its assets.[22] Finally, the Settlements already provide a robust coordination mechanism for outreach to suppliers.[23]

Unwarranted Battery Backup Proposal. TURN's proposed changes to the APD's battery backup condition (no-cost mandate and expansion to all customers) ignore record evidence of Charter's consistently strong customer service performance, exceeding several G.O. 133 standards,[24] and Charter's substantial investments in network resiliency.[25] Charter complies with the public safety customer education requirements under D.10-01-026, which already requires customer education in the language a customer was marketed, and TURN offers no basis for a duplicative Transfer-specific condition.[26] TURN tried to justify these substantially identical requests it advanced in Verizon/Frontier as protection for customers affected by copper retirement; however, no comparable justification for Charter's VoIP customers exists here.[27] TURN's proposed changes would impose unjustified costs unrelated to Transfer-specific harm.[28]

III. ALL OTHER PROPOSED CONDITIONS ARE UNNECESSARY

The Settlements will yield significant benefits for ESJ Communities. TURN's proposed conditions to impose a ten-year California LifeLine obligation, freeze income-qualified prices for a decade, and require identical statewide pricing and promotions would undo the Settlements' balance and harm consumers by precluding carefully negotiated local discounts, such as back-to-school specials.[29] These proposals also depend on unfounded allegations of "discriminatory" pricing and on analyses the record shows to be flawed, including outdated, years-old demographic data and AI-generated analysis.[30]

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[22] Frontier was an ILEC subject to Section 851 governing disposition of utility property (inapplicable to Charter's cable network) and served residents on Indian reservations and to Tribal governments; Charter, which has no franchise agreements with California Tribes, does not.

[23] CETF Settlement at 12 (annual meetings with CETF for five years to discuss its G.O. 156 procurement reports and consider CETF's recommendations); *id*. at 13 (expanding supplier outreach and collaboration with CETF on the Supplier Clearinghouse Program); *see also* Joint Applicants' Reply Brief at 42-44.

[24] Joint Applicants' APD Comments at 7; Joint Applicants' Opening Brief at 30 & nn.150-151.

[25] Joint Applicants' Opening Brief 49 & nn.225-227; Falk Opening Testimony (Ex. 29) at 13:1-15:11.

[26] TURN's reliance on the decade-old Charter/Time Warner Cable transaction, when VoIP telephony was less familiar and less mature, is misplaced. TURN identifies no record evidence supporting its assumptions about customers' understanding of existing backup power capabilities.

[27] Joint Applicants' Reply Brief at 37; Joint Applicants' PD Reply Comments at 4.

[28] Joint Applicants' Reply Brief at 38.

[29] Joint Applicants' PD Comments at 12 and APD Comments at 11; Cal Adv. Settlement at 10-11.

[30] Joint Applicants' PD Comments at 12 & n.74. TURN's supporting allegations of "discrimination" also run contrary to Cal Advocates' more comprehensive and neutral findings. *See* Joint Applicants' PD Reply Comments at 4.

Moreover, the New California LifeLine and Standalone Non-LifeLine Service Tiers will be available to both new and existing customers.[31]

<u>The Commission should reject all other proposals by Non-Settling Intervenors.</u> *First*, TURN's and NIWR's workforce conditions rest on speculation about possible future harms instead of record evidence, and erroneously assume the Commission should replicate Verizon/Frontier conditions, which involved unrelated parties, a dissimilar record, and a different workforce. These proposals ignore that Charter's diverse-supplier spending increased from 2024 to 2025, and its existing DIVCA and G.O. 156 reporting already provides the Commission detailed workforce information.[32] *Second*, TURN's request that the APD add more conditions from New York's and Connecticut's proceedings offers no reason other than their adoption elsewhere, and neglects both the significant California-specific benefits *and* that those decisions issued under other states' statutes from agencies exercising *video* franchise authority.[33]

IV. CONCLUSION

Joint Applicants greatly appreciate the significant work of Commissioner Baker and his staff. The Commission should adopt the APD, with Joint Applicants' modest modifications, at its August 13, 2026 meeting, and reject Non-Settling Intervenors' additional proposed conditions.

Respectfully submitted,

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[31] Joint Applicants' Reply Comments at 20.

[32] Joint Applicants' Reply Brief at 42-44. Under the CETF Settlement, Charter commits to report supplier spend against G.O. 156's minimum goals, collaborate with CETF on Supplier Clearinghouse outreach for small businesses, and send a senior executive to the annual Supplier Diversity En Banc hearings.

[33] While Joint Applicants do not address every proposal Non-Settling Intervenors raise, no changes to the APD beyond those previously identified should be adopted. Joint Applicants also object to TURN's request to extend existing NDAs to future compliance filings, which would override negotiated provisions requiring the parties to meet and confer on that subject. TURN APD Comments at 9.