BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

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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 Telcom, LLC (U-5684-C)	Application 25-07-016

REPLY COMMENTS OF CALIFORNIA EMERGING TECHNOLOGY FUND ON PROPOSED DECISION AND ALTERNATE PROPOSED DECISION

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REPLY COMMENTS OF CALIFORNIA EMERGING TECHNOLOGY FUND ON PROPOSED DECISION AND ALTERNATE PROPOSED DECISION

Pursuant to Rule 14.3(d), the California Emerging Technology Fund ("CETF") respectfully files these Reply Comments as to the opening comments on the Proposed Decision ("PD") and Alternate Proposed Decision ("APD") of The Utility Reform Network ("TURN"), the Joint Advocates, Media Alliance, and the National Institute for Workers' Rights ("NIWR"), filed July 29, 2026 (referred collectively at times as the "Non-Settling Parties"). The Non-Settling Parties' Opening Comments identify additional conditions the Non-Settling Parties would prefer, but these desired conditions do not cure the central defect of the PD: no Non-Settling Party can assent for CETF, the Public Advocates Office ("Cal Advocates"), or Charter to a Commission-created "Joint Settlement." As set forth in CETF's Opening Comments, the APD supplies the lawful path consistent with Commission precedent: it approves the negotiated Settlement Agreements and separately imposes any additional, record-supported transaction conditions.[1]

I. The PD's 'Joint Settlement' Does Not Exist and Cannot Be Revived by Non-Settling Parties

Media Alliance concedes the dispositive fact: the PD's proposed Joint Settlement "has been declined by two of the three settling parties, and not accepted by the third."[2] That honest admission forecloses adoption of the PD in its present form. *Bottom-line, a settlement agreement requires the assent of its parties.* The support of four Non-Settling Parties cannot transform a PD with 20 modifications and five additional terms into a binding contract between the three Settling Parties. Nor can the Commission approve a Joint Settlement first and obtain assent later while simultaneously approving the transfer, closing the proceeding, and making the order effective immediately. This circularity contained in the PD cannot be approved as it makes no logical sense.[3]

Joint Advocates nevertheless boldly asserts that the PD "accepts the two settlements in their entirety" and "keeps the negotiated settlements in place."[4] That statement is factually incorrect. By its own admission, the PD creates a new Joint Settlement that supersedes the original agreements and materially changes their durations, deployment obligations, performance bond, reporting, customer

[1] Opening Comments of the California Emerging Technology Fund at Proposed Decision and Alternate Proposed Decision, filed July 29, 2026, at 6, 11-12 ("CETF Comments").
[2] Media Alliance Comments on Proposed Decision and Alternate Proposed Decision A.25-07-016 ("Media Alliance Comments"), filed July 29, 2026, at 5 ("Media Alliance Comments").
[3] See prior discussion of this issue in CETF Comments, at 9.
[4] Joint Advocates Opening Comments on Proposed Decision and Alternate Proposed Decision ("Joint Advocates Comments"), filed July 28, 2026, at 11. The "Joint Advocates" are Center for Accessible Technology ("CforAT"), California Alliance for Digital Equity ("CADE") Fresno Coalition for Digital Inclusion ("FCDI"), East Bay Broadband Consortium ("EBBC"), and Digital Equity Los Angeles ("DELA").

equipment requirements, workforce, and enforcement provisions.[5] A rewritten Joint Settlement imposing materially different obligations and new requirements is not the bargain the Settling Parties struck. The PD reflects more extreme conditions and mitigation measures that the Non-Settling Parties consider desirable, but desirability does not create mutual assent to an agreement.

The Commission retains broad authority under Public Utilities Code Section 854 to impose independent conditions *supported by the record*. That is why the Assigned Commissioner's APD is superior: it preserves the negotiated agreements and treats additional measures as Commission conditions rather than fictional settlement terms. The Non-Settling Parties' policy arguments therefore provide no basis to adopt the PD's Joint Settlement.

II. Requests for a Larger Package Do Not Establish Error in the APD's Settlement Analysis

TURN acknowledges that the APD "applies the correct legal standard" and correctly applies Section 854(a)-(c).[6] TURN's disagreement is that the negotiated commitments in the two settlement agreements are not robust enough, not long enough, and that additional pricing, deployment, workforce, Tribal, battery-backup, and consumer-protection requirements should be added. Joint Advocates likewise acknowledge that the Settlements provide public-interest benefits but contend the commitments are ambiguous, unverifiable, and that the package should be larger and more prescriptive.[7] These statements by TURN and Joint Advocates expose the flaw in the opposition. The standard of review, Rule 12.1(d), asks whether a settlement as a whole is reasonable in light of the record, consistent with law, and in the public interest - not whether every intervenor can identify additional conditions it would prefer. To hold otherwise would discourage parties from ever settling. Rule 12.1 of the Rules of Practice and Procedure expressly allows and encourages partial settlements.

The CETF and Cal Advocates Settlement Agreements already transform an otherwise deficient application into a substantial, enforceable public-benefit package: (1) new affordable broadband and California LifeLine offerings; (2) approximately $596 million in estimated annual promotional-pricing savings;[8] $1.2 billion in estimated savings of the new affordable offers for Charter consumers and $144 million for Cox consumers;[9] $30 million for Digital Inclusion, broadband adoption, and CETF California Green Technology Initiative (being implemented in collaboration with the California Department of Technology); a $275 million legacy-Charter network upgrade with milestones and a performance bond; free broadband and public access WiFi at 50 community anchor institutions; Charter call-center and enrollment reforms to benefit low-income callers; Tribal consultation; a $5

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[5] PD at 89, Section 14.1.
[6] TURN Opening Comments on the Alternate Proposed Decision ("TURN Comments"), filed July 29, 2026, at 1.
[7] Joint Advocates Opening Comments at 6.
[8] Cal Advocates Opening Brief, at 9 and Attachment B.
[9] Id. at 5-6.

million CDFI investment; supplier-diversity and small-business commitments; and workforce initiatives. The APD reasonably concludes that these significant negotiated benefits, together with independent mitigation measures, satisfy the public-interest standard.[10] Nor are there any allegations that the two settlement agreements are not consistent with the law, or unreasonable in light of the complete record.

Joint Advocates misstate settlement practice by arguing that CETF did not resolve its own concerns because every position in CETF's opening testimony did not become a contract term.[11] CETF -- not Joint Advocates -- identified, litigated, negotiated for months, and resolved CETF's chief concerns. CETF is a sophisticated participant in telecom corporate consolidations. CETF works earnestly and in good faith to bring consumer benefits particularly on Digital Divide issues through its settlements. Settlement necessarily involves compromise. Further, each set of applicants is differently situated in the marketplace with its technology, market strategy, business practices, financial position and competitive position. CETF strives to understand what can be achieved for the public good in each transaction, and thus, its settlement agreements vary. As a sophisticated intervenor, CETF is proud of and strongly supports its Settlement Agreement which brings a robust set of consumer benefits across a broad range of issue areas.

III. Broad Industry Policy Proposals Do Not Establish Error; APD Delivers ESJ Benefits

TURN's requested redlines illustrate that its objections principally seek a broad regulatory policy changes in a single merger transaction involving two industry players. TURN proposes, among other things, an 8,000-location DOCSIS 4.0 or fiber build-out, ten years of LifeLine participation and price freezes, machine-readable address-level pricing, uniform promotions across multiple services, Tribal rights of first offer, workforce surveys and reporting, free battery backup equipment, outdoor WiFi, salesperson-identification rules, prescribed workforce levels, and retail-payment and equipment-return requirements.[12] Whatever the merits of each proposal, their sheer breadth does not establish legal or factual error in the APD. Many proposed measures by TURN raise generally applicable questions of broadband pricing, service quality, outage credits, and workforce regulation that better belong in generic proceedings involving similarly-situated providers to avoid distortion of the competitive marketplace.

Media Alliance makes the point, in that it supports a footprint-wide symmetrical-gigabit mandate as general desirable statewide policy, while admitting that whether the PD's timeline is

[10] ADP, at 45, Section 13.6.6., at 48-49 at Section 13.7.6.
[11] Joint Advocates Opening Comments at 8-9, discussing service quality issue as an example.
[12] TURN Opening Comments, Appendix A at A-2 to A-4.

practical is "beyond our capability to assess."[13] A desired statewide policy whose feasibility has not been established is not a settlement clarification or a record-supported response to a demonstrated transaction-specific harm. Section 854(c)(8) permits mitigation of significant adverse consequences that may result from the transaction; it is not a substitute for an industry-wide rulemaking where issues are noticed, fully commented on with the potential for workshops and hearings.

Joint Advocates' prediction that APD benefits will bypass people with disabilities, communities of color, and low-income households is contradicted by CETF's Settlement.[14] The CETF Settlement directs $30 million to overcoming affordability challenges, relevance, and digital-literacy barriers as found by the Digital Equity Survey. CETF and its community partners will strive to assist 100,000 low-income households to get online with affordable offers and obtain digital literacy training through CETF-funded programs. CETF's agreement establishes low $20 affordable offers for new and existing customers; provides free public access WiFi at 50 community institutions; and includes Tribal, supplier-diversity, small-business, and workforce commitments. CETF is pleased that Joint Advocates concede that CETF's model is effective for many participants.[15] Their assertion and belief that still more measures would be beneficial does not erase the substantial, targeted equity benefits in the CETF Agreement made enforceable by the APD's approach. CETF cannot be held responsible for the failure of the Non-Settling Parties to reach their own voluntary public benefits agreement with the Joint Applicants, as was strongly encouraged by the Assigned Commissioner and ALJ during the proceeding.

Media Alliance's principal PEG concern also does not distinguish the decisions: it states that the PD and APD contain "virtually identical" PEG mitigations that meaningfully respond to its concerns.[16] PEG therefore supplies no reason to select the PD's Joint Settlement framework.

IV. NIWR's Workforce Proposals Should Not Be Inserted into the Settlements

NIWR's comments do not support selection of the PD over the APD. NIWR expressly states that it "takes no position on the many issues that distinguish" the two decisions and asks for the same workforce conditions whichever decision is adopted.[17] Thus, even accepting NIWR's policy concerns, they supply no reason to adopt the PD's Joint Settlement. At most, NIWR asks the Commission to consider additional independent transaction conditions -- the structural approach used by the APD. NIWR asks for a mandatory university and community-college recruitment pipeline, ten years of hiring, compensation, and promotion data disaggregated by race, ethnicity, and gender, monitoring

[13] Media Alliance Comments at 7.
[14] Joint Advocates Opening Comments at 5.
[15] Joint Advocates Opening Comments at 5.
[16] Media Alliance Comments at 2-3.
[17] NIWR Opening Comments on the Proposed Decision and Alternate Proposed Decision at 1.

tied to Charter's February 2026 FCC letter, and employee belonging-and-inclusion surveys.[18] NIWR argues that Decision 26-01-023 (Verizon-Frontier) is the "controlling benchmark" and that the Commission must impose materially identical conditions or explain why Charter employees receive less.[19] However, Section 854(c)(4) requires a finding that the transaction is fair and reasonable to affected utility employees. It does not require identical conditions in every transaction. Verizon-Frontier was a fact-specific decision based on the record and a negotiated package, not a workforce rule for all. NIWR's proposed findings also depend on factual propositions that were not adjudicated in this evidentiary record, including the workforce effects of Charter's FCC letter and an assertion that recent layoffs disproportionately affected ESJ communities. Its proposed ordering paragraphs would require detailed compensation, promotion, demographic, and survey reporting extending well beyond the workforce provisions litigated here.[20] Official notice of a public filing does not establish the truth, effects, or proper regulatory consequences of every statement in that filing. In CETF's view, the Commission should use caution in not creating broad workforce-reporting policy through comments without a developed evidentiary record. CETF already negotiated concrete California workforce and supplier-diversity commitments, based on its testimony.

V. Conclusion

The Non-Settling Parties explain why they prefer additional conditions; they do not explain how an unaccepted Commission-created agreement can lawfully be adopted as a settlement. The Commission should reject the PD's nonviable Joint Settlement mechanism and adopt the APD with CETF's limited corrections from its Opening Comments, preserving the Settlements while allowing substantial public benefits to begin flowing to California consumers. CETF continues to urge adoption of the APD with the minor corrections proposed in its Opening Comments, and requests the item be considered at the August 13, 2026 voting meeting.

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[18] NIWR Opening Comments at 2.
[19] NIWR Opening Comments at 7-10.
[20] NIWR Opening Comments, Appendix A at 12-15.