

Appendix A

A.15-07-009

Charter/Time Warner Cable/Bright House Networks Merger

Minimum Public Interest Benefit Conditions

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Number	Description	ORA Testimony Location										
1	<p>Increase broadband speeds to existing households with broadband availability from New Charter: New Charter shall offer broadband Internet Service with speeds of at least 300 Mbps download to all households with current broadband availability from New Charter in its California network by December 31, 2019.</p> <p>Reporting Requirement: On December 31, 2016, and every year thereafter until December 31, 2019, New Charter shall submit a progress report to the Commission and ORA identifying progress made for the increased broadband speeds as set forth above to existing households with broadband availability from New Charter in its California network.</p>	<p>Dr. Lee Selwyn, Reply Testimony at 94-95.</p> <p>Note: New York Public Service Commission required similar speed increases as a condition of approval.</p>										
2	<p>New broadband deployment: Expand broadband availability* to no less than 98% of households within each census block within the New Charter California franchise and operating service areas by end of year 2019 at speeds of no less than 25 Mbps download and 3 Mbps upload without imposing line extension charges to customers. New Charter is required to provide the CPUC and ORA, within 60 days of the close of the transaction, an updated spreadsheet listing all census blocks within New Charter's California franchise territory and operating service area with the number of households in each of those census blocks with current broadband availability from New Charter, and an updated number of households in each of those census blocks that currently lack broadband availability from New Charter. It is estimated that New Charter currently provides broadband availability to 95% of households in its service area; therefore the following broadband deployment targets are reasonable and attainable within the specified timeframe:</p> <p>Broadband Deployment Targets:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">% complete of households with Broadband Availability w/in each Census Block</th> </tr> </thead> <tbody> <tr> <td>Dec. 31, 2016</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Dec. 31, 2017</td> <td style="text-align: center;">96%</td> </tr> <tr> <td>Dec. 31, 2018</td> <td style="text-align: center;">97%</td> </tr> <tr> <td>Dec. 31, 2019</td> <td style="text-align: center;">98%</td> </tr> </tbody> </table> <p>* Availability means if the provider can provision new requests for broadband service within 10 business days.</p> <p>Reporting Requirements: On July 1, 2016, and every year thereafter until July 1, 2019, New Charter shall submit a progress report to the Commission and ORA identifying the progress made for deployment of broadband availability and the work completed to meet the interim deployment milestones set forth above. At minimum, the report shall identify the number of households within New Charter's California franchise territory and operating area, by census block, with New Charter Broadband Availability; the number of new households in each of those census blocks with <u>new deployment of broadband availability</u> from New Charter at speeds of no less than 25 Mbps download and 3 Mbps upload.</p> <p>On December 31, 2017, and every year thereafter until December 31, 2019, New Charter shall submit a progress report certifying that it is meeting the percentage of households identified in the deployment milestones set forth above.</p>	Year	% complete of households with Broadband Availability w/in each Census Block	Dec. 31, 2016	-	Dec. 31, 2017	96%	Dec. 31, 2018	97%	Dec. 31, 2019	98%	<p>Dr. Lee Selwyn, Reply Testimony at 94-95.</p> <p>Note: New York Public Service Commission required network expansion investment (broadband build-out) in the state without New Charter imposing payment of line extension fees to new customers as a condition of approval.</p>
Year	% complete of households with Broadband Availability w/in each Census Block											
Dec. 31, 2016	-											
Dec. 31, 2017	96%											
Dec. 31, 2018	97%											
Dec. 31, 2019	98%											
3	<p>New Charter will not impose any data caps or usage-based-pricing/billing on its broadband service until the Commission determines that effective competition of fixed-wireline broadband at speeds no less than 25 Mbps download and 3 Mbps upload is present for at least 80% of households in Southern California (10 counties - San Luis Obispo, Kern, Santa Barbara, San Bernardino, Los Angeles, Ventura, Orange, Riverside, San Diego, Imperial).</p>	<p>Dr. Lee Selwyn, Reply Testimony at 88-89.</p>										

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4	<p>New Charter shall unbundle its Customer Premise Equipment (CPE) for all of its customers, including cable modems and cable set-top boxes, affording customers the choice of buying or renting their equipment and benefitting from competition in the manufacture and retailing of such devices. New Charter shall not pass through the price of CPE (i.e. by increasing prices of voice, broadband, and video services) to consumers who choose to buy or rent their equipment from a third-party vendor.</p>	<p>Dr. Lee Selwyn, Reply Testimony at 154.</p> <p>Cable set-top boxes - FCC Chairmain proposal: http://transition.fcc.gov/Daily_Releases/Daily_Business/2016/db0127/DOC-337449A1.pdf</p>
5	<p>New Charter shall discontinue the inclusion of mandatory arbitration/class action waiver provisions in its consumer agreements. Within 90 days from the time of close of the transaction, New Charter shall provide all of its customers a written notice in the form of a separate letter detailing out the discontinuance of arbitration/class action waiver provisions. The written notice shall be available in multiple languages to New Charter multilingual customers.</p> <p>Reporting Requirement: New Charter shall provide the CPUC and ORA a copy of the customer notice within 90 days from the time of closing of the transaction. In addition, New Charter shall include a letter from one of its officers certifying compliance with this condition.</p>	<p>Dr. Lee Selwyn, Reply Testimony at 161.</p>
6	<p>New Charter shall offer LifeLine discounts to all eligible households (in accordance with CPUC Lifeline Rules) within its service territory; not only to the existing TWC service area. Within 60 days from the close of the transaction, and semiannually thereafter, for a period of no less than three years, New Charter shall provide to the CPUC and ORA with detailed plans on how it informs new consumers about LifeLine service and its terms and conditions, including specific information pertaining to the form, quantity, distribution method and content of information. New Charter shall also report to the CPUC and ORA with the number of new customers signing up for the Lifeline program.</p>	<p>Ms. Eileen Odell Reply Testimony at 2, 7</p>
7	<p>New Charter shall extend eligibility for its low-income broadband offering program to include all low-income households* in the New Charter California franchise area and operating service area and enroll no less than 45% of eligible households within each census block within the New Charter California franchise area and operating service area within three years from the close of the transaction.</p> <p>* Low-income households is defined using the household's total annual gross income limits identified in the CPUC Life-line program.</p> <p>Reporting Requirements: Beginning on June 30, 2016 and December 31 of , 2016, and every year thereafter until December 31, 2018, New Charter shall submit a progress report to the Commission and ORA identifying the progress made in reaching 45% adoption of eligible households within each census block or portions thereof within the New Charter California franchise area and operating service area of New Charter's low-income broadband offering program.</p>	<p>Ms. Eileen Odell Reply Testimony at 9-10</p>

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8	<p>For a period of three years, commencing 60 days from the close of the transaction, New Charter will report to the Commission and ORA, on a quarterly basis, on the below service quality metrics for New Charter voice services in California, including VoIP services, consistent with the reports under G.O. 133 (C) (or subsequent updated rules). Within 1 year from the close of the transaction, and for subsequent years thereafter, New Charter will meet all service quality standards of G.O. 133 (C) (or subsequent updated rules) for VoIP services (or equivalent voice service):</p> <ul style="list-style-type: none"> a. Installation Intervals (5 business days) b. Installation Commitment (95% of commitments met) c. Customer Trouble Report (less than 6 per 100 working lines) d. Out of Service Report (90% w/in 24 hours) e. Answer Time (80% of calls in less than 60 seconds) 	Mr. Enrique Gallardo Reply Testimony at 1-27 to 1-34
9	<p>Within two years from the time of close of the transaction, New Charter shall decrease the quantity and severity (as measured by duration and number of customers affected) of voice and broadband service outages. Charter will provide the CPUC and ORA, beginning June 30, 2016, with semiannual reports containing monthly service reliability data and outage information for a period of no less than three years. The report shall include the following data elements:</p> <ul style="list-style-type: none"> i. Service Type (VoIP, Broadband, or Both VoIP and Broadband) ii. Number of customers affected iii. Number of residential customers affected iv. Number of Small Business customers affected v. Number of Large Business customers affected vi. Outage Start Date and Time vii. Service Restoration Date and Time viii. Duration of outage in total minutes ix. Location of outage x. Description of the Cause xi. Description of the Root Cause xii. Description of the Incident xiii. Description of the equipment that failed (if any) and location within the network that was impacted xiv. Methods used to restore the outage (Resolution Method) xv. Steps taken to prevent the outage from re-occurring <p>In addition, New Charter will provide a copy of Federal Communications Commission (FCC) Network Outage Reporting System (NORS) reports for New Charter's California VoIP services to the Commission and ORA within three business days after such filing with the FCC.</p>	<p>Mr. Adam Clark Reply Testimony at III-17 to III-23.</p> <p>Mr. Enrique Gallardo Reply Testimony at 2-3, 1-12 to 1-24.</p>

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10	<p>To address concerns with low customer satisfaction ratings and high number of consumer complaints, no later than 180 days from the closing of the Transaction, New Charter, in consultation with ORA shall select and retain an independent expert Survey Consultant ("Survey Consultant"). This Survey Consultant will not have previously provided any services or contract work with Charter, Time Warner Cable, or Bright House Networks in California and shall act independently to develop the survey design and survey questions for a multi-lingual customer satisfaction survey in the New Charter California service area. The Survey Consultant will solicit input from stakeholders, including Commission staff, New Charter, ORA and other consumer groups in jointly held meetings facilitated by the Survey Consultant. The survey design and questions must be finalized no later than nine months from the closing of the Transaction. The survey design must also include customers identified as having limited English proficiency, and must include some customers who speak at least the top three languages spoken in New Charter service territory. The survey must measure customer satisfaction for broadband and voice services (including VoIP), and the effectiveness of efforts to educate customers on the limitations of VoIP during power outages and the necessity for maintaining battery back-up. New Charter shall cooperate with all reasonable requests from the Survey Consultant, including supply the Survey Consultant on a monthly basis the list of existing customers, closed and/or completed installation orders, and closed/completed trouble report tickets from which the Survey Consultant will generate its survey sample. The Survey Consultant shall solicit input, through meetings with Commission staff, New Charter, and ORA to design the structure and content of its reports containing the survey results on an ongoing basis. The surveys will commence 12 months from the closing the transaction and will continue for two years. The Survey Consultant shall issue a survey Report to the Commission, New Charter, ORA and other consumer groups that participated in the planning process containing the results of the survey every quarter. The final report shall be submitted 24 months from the commencement of the surveys.</p>	<p>Mr. Adam Clark Reply Testimony at III-3 to III-10, III-23 to III-30.</p> <p>Mr. Enrique Gallardo Reply Testimony at 1-5 to 1-11, 5-6, 1-38 to 1-47.</p>
11	<p>New Charter shall comply with the guidelines for customer education programs regarding customer backup power systems adopted by this Commission in Decision (D.) 10-01-026. This customer education will be made available in multiple language versions as well as in accessible formats for visually impaired customers. New Charter shall work with staff of the Commission's Communications Division to develop the form and language of such notices. The customer education will be communicated to all customers of New Charter no later than 180 days following the effective date of the transaction and annually thereafter.</p>	<p>Mr. Enrique Gallardo Reply Testimony at 2-4 to 2-5</p>
12	<p>General Enforcement Language: Commission staff and ORA have the authority to audit and verify New Charter's compliance with all conditions set forth herein. New Charter must provide all data requested by the Commission and ORA to conduct the audit and verification. If New Charter fails to perform and comply with the set forth conditions, the Commission will pursue appropriate enforcement remedies, including the imposition of fines.</p> <p>Note: New Charter means the Joint Applicants' successor company or future parent that will result from the proposed transaction/merger; whatever that name may be; i.e. "Charter Communications, Inc.". In accordance with the Joint Applicant's CPUC Application A.15-07-009, the new reorganized parent company is referred to as "New Charter". However, the parent entity resulting from the Transaction and Reorganization will ultimately assume the name "Charter Communications, Inc.,".</p>	<p>General Enforcement Language</p>