

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



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Joint Application of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC, and Bright House Networks Information Services (California), LLC for Expedited Approval of the Transfer of Control of Time Warner Cable Information Services (California), LLC (U-6874-C); and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC (U-6955-C), to Comcast Corporation Pursuant to California Public Utilities Code Section 854(a).

And Related Matter.

A. 14-04-013
(Filed April 11, 2014)

A.14-06-012
(Filed June 17, 2014)

**COMMENTS OF THE CALIFORNIA ASSOCIATION OF COMPETITIVE
TELECOMMUNICATIONS COMPANIES ON THE PROPOSED DECISION
GRANTING WITH CONDITIONS APPLICATION TO TRANSFER CONTROL**

March 5, 2015

Sarah DeYoung
Executive Director, CALTEL
50 California Street, Suite 1500
San Francisco, CA 94111
Telephone: (925) 465-4396
Facsimile: (877) 517-1404
Email: deyoung@caltel.org

Richard H. Levin, Attorney at Law
309 South Main Street
P.O. Box 240
Sebastopol, CA 95473-0240
Tel.: (707) 824-0440
Email: rl@comrl.com

Counsel for CALTEL

Pursuant to Commission Rule 14.3, the California Association of Competitive Telecommunications Companies (“CALTEL”) respectfully submits these opening comments on the Proposed Decision (“PD”) of Administrative Law Judge Bemserderfer Granting with Conditions the Applications to Transfer Control.

CALTEL appreciates the Proposed Decision’s interest in, and analysis of, the issues that it raised on behalf of its members in its December 10, 2014 brief and attached testimony. Other than to note a typographical error, CALTEL has no modifications to recommend with regards to the PD’s discussion of those issues, or of the conditions (Numbers 7 and 8) that it proposes to mitigate them, but reserves its right to respond to any pertinent comments of the Applicants in reply comments.

CALTEL does recommend, however, that Proposed Condition 25 be modified to establish more effective and transparent mechanisms for monitoring and enforcing Comcast’s compliance with all of the adopted conditions, including Conditions 7 and 8, if and when the merger is consummated.

I. DISCUSSION

The PD adopts 24 conditions to mitigate potential harmful effects of the transfers of control proposed in this proceeding. As mentioned above, CALTEL appreciates the PD’s thoughtful consideration of the potential harmful effects on wholesale inputs provided to competitive local exchange carriers (CLECs), and impacts on competitive choice for the customers that they serve. CALTEL has no recommendations to modify the PD’s discussion of those issues at this time.

Two of the proposed conditions, Conditions 7 and 8, specifically address concerns raised by CALTEL:

7. Comcast shall offer Time Warner's Business Calling Plan with Stand Alone Internet Access to interested CLECs throughout the combined service territories of the merging companies for a period of five years from the effective date of the parent company merger at existing prices, terms and conditions.
8. Comcast shall offer Time Warner's Carrier Ethernet Last Mile Access product to interested CLECs throughout the combined service territories of the merging companies for a period of five years from the effective date of the parent company at the same prices, terms and conditions as offered by Time Warner prior to the merger.

CALTEL also has no recommendations to modify these proposed conditions at this time.

However, CALTEL is concerned that the PD does not include a process for the Commission to monitor Comcast's compliance with all of the conditions, including Conditions 7 and 8. Given the complexity of these wholesale product offerings, and the relatively long length of time that these proposed conditions will be in place, the Commission may not be able to monitor or assess compliance with these conditions without input from wholesale customers of the merged entity. Some mechanism (other than the filing of formal complaints) should be adopted to gather such input, especially after the closing of this proceeding.

CALTEL recommends that the Commission either establish a second phase of this proceeding, or establish a new proceeding, in which to monitor Comcast's compliance with the adopted conditions. CALTEL recommends that Comcast be required to file periodic compliance reports for all adopted conditions, and to serve those reports on the service list in the compliance phase of the proceeding. Parties would have the opportunity to file and serve informal complaints regarding compliance, and be afforded the opportunity of speedy resolution of any disputes.

II. CONCLUSION

For the reasons described above, CALTEL respectfully requests that Condition 25, which deals with compliance and enforcement of the remaining conditions in the PD, be revised as described above and in Appendix A.

Respectfully submitted,

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Sarah DeYoung
Executive Director, CALTEL
50 California Street, Suite 500
San Francisco, CA 94111
Telephone: (925) 465-4396
Facsimile: (877) 517-1404
Email: deyoung@caltel.org

/s/ Richard H. Levin

Richard H. Levin, Attorney at Law
309 South Main Street
P.O. Box 240
Sebastopol, CA 95473-0240
Tel.: (707) 824-0440
Email: rl@comrl.com

Counsel for CALTEL

Appendix A

Recommended Changes to Condition 25:

25. **Comcast shall file quarterly compliance reports for all conditions noted above, and serve copies of these reports on the service list in Phase 2 of this proceeding (or a new proceeding established for compliance monitoring). Parties will have the opportunity to file and serve any complaints about compliance, and be afforded the opportunity of speedy resolution of any disputes.** If **the Commission determines that** Comcast does not promptly and fully comply with these conditions then ~~parties, the public, or the Commission~~ may take enforcement action against Comcast based on the Commission's rules, orders, and decision, and the California Public Utilities Code, and Comcast shall not contest the Commission's jurisdiction to do so.