



**For Immediate Release**

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**Significant Public Benefits for California in  
Charter Communications – Time Warner Cable – Bright House Networks Merger**

San Francisco and Los Angeles, CA – May 12, 2016 – The California Public Utilities Commission (CPUC) has unanimously approved Charter Communications' acquisition of Time Warner Cable and Bright House Networks, a corporate consolidation that will bring high-speed Internet access (broadband) to low-income communities in the nation's most populous state and in its second largest city. The CPUC's decision today was the last remaining obstacle to approving the merger deal, which is expected to close next week. New Charter will acquire 2 million customers in the Los Angeles Region, 1 million of whom are low-income and only [71 percent](#) of whom have computer-enabled home broadband.

CPUC Commission Michael Picker outlined the conditions of the national merger, which include the agreement from New Charter to increase board diversity, appoint a chief diversity officer, expand minority programming and upgrade cable systems and VoIP service. Other national public benefits include a commitment to double its build-out program of broadband infrastructure from 1 million to 2 million households, offer service without data caps for 7 years, and develop a 4-year, low-income broadband program for eligible households.

New Charter's public benefits for California go even further, as a result of a Memorandum of Understanding (MOU) between New Charter and the California Emerging Technology Fund, which has been directed by the CPUC since 2006 to close the state's Digital Divide. The 5-year partnership between New Charter and CETF comes out of a mutual desire to close the Digital Divide by accelerating broadband and adoption in California, particularly to low income and rural consumers. The MOU has been endorsed by a coalition of community-based organizations, including Radio Bilingue, California Legislative Black Caucus, California Latino Legislative Caucus and the Chicana/Latina Foundation.

Said Sunne McPeak, CEO and President of the California Emerging Technology Fund: "This transaction will bring broadband to low-income communities in the Los Angeles Region, where there are too many people disconnected from the 21-Century Right of high-speed Internet access. Due to its commitment to provide 60Mbps – 100Mbps downloads within 2 1/2 years, New Charter customers will see the fastest speeds in the state. The CPUC's decision is in the public interest and will help close the Digital Divide."

**Charter's Public Benefit Commitments for Broadband Adoption in California**

- New Charter will provide Internet access at speeds higher than any current comparable service (30 Mbps download /4 Mbps upload) at an initial price of \$14.99 per month to households with children enrolled in the National School Lunch Program (free or reduced lunch) and to seniors receiving Supplemental Security Income (SSI).
- Within 5 years, New Charter agrees to make a good faith effort to enroll 350,000 broadband low-income customers in its California service area.
  - Outreach to target low-income communities will be by community-based organizations, schools, libraries and other non-profit organizations.
  - An outreach plan will be developed by June 30, 2017.

- New Charter and CETF will collaborate on communication, marketing, and outreach efforts to low-income communities about the availability of affordable broadband service, including in language and in culture using ethnic media that serve the target communities. New Charter may also provide its local programming resources for this effort.
- New Charter will provide CETF \$6.5 million annually over 5 years, for a total commitment of \$32.5 million, to invest in community partnerships with nonprofit organizations, including schools and libraries, that can serve as “trusted messengers” for encouraging low-income customers to subscribe to high-speed Internet service at home in the New Charter service areas.
- CETF will work with organizations that serve people with disabilities to ensure equitable outreach to this population and opportunity for broadband adoption.

### **Charter’s Public Benefit Commitments for Broadband Deployment in California**

- Within three years of the close of the transaction, New Charter will provide service to new broadband passings for approximately 70,000 homes and businesses in Kern, Modoc, Monterey, San Bernardino, and Tulare Counties that currently are capable of receiving analog-only cable TV service.
- Within four years of the close of the transaction, New Charter will provide service to new broadband passings for 80,000 additional homes and businesses in Monterey, Tulare, Kern, Stanislaus, San Bernardino, Riverside, Imperial, and Modoc Counties. At least 50% of these new broadband passings must be in communities where more than 25% of households speak a language other than English at home.
- Within four years of the close of the transaction, New Charter will deploy at least 25,000 out-of-home wireless broadband hotspots in underserved areas, with 50% of those wireless hotspots in communities where a quarter of the population does not speak English.
- New Charter will provide free broadband service to 75 anchor institutions in rural areas and low-income urban areas and will identify these anchor institutions by January 30, 2018 in collaboration with CETF.

### **Accountability and Enforcement**

- New Charter will report annually to the CETF leadership and more informally on a quarterly basis on the progress being made in enrolling eligible low-income households to the affordable broadband offer program. CETF will report annually to New Charter leadership on the broadband adoption fund disposition and uses. If New Charter fails to perform CETF has the right to go to the CPUC to ask for enforcement of condition.

### **About the California Emerging Technology Fund**

Established in 2007 by the California Public Utilities Commission as a result of two corporate mergers, CETF’s mission is to close the Digital Divide. CETF is on target to reach 98% of all California residences with broadband infrastructure and to achieve 80% home adoption by 2017. This statewide goal can only be accomplished if the following hard-to-reach target communities achieve at least a 70% adoption rate: low-income populations, Latino households, rural communities, and people with disabilities. For more information, please visit [www.internetforallnow.org](http://www.internetforallnow.org) and [www.cetfund.org](http://www.cetfund.org).

### **Available for Interviews**

[Sunne Wright McPeak](#), President and CEO, California Emerging Technology Fund