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October 12, 2017

Thomas Rutledge
Chairman/CEO
Charter Communications
400 Atlantic Street
Stamford, CT 06901

Via U.S. Mail and Electronic Mail

Re: Case 15-M-0388 - Joint Petition of Charter Communications, Inc. and Time Warner Cable Inc. for Approval of a Transfer of Control of Subsidiaries and Franchises; for Approval of a Pro Forma Reorganization; and for Approval of Certain Financing Arrangements.

Dear Mr. Rutledge,

On October 2, 2017, I received a letter from Alphonso B. David, Counsel to the Governor, expressing concern regarding Charter Communications' (Charter) ability and intent to comply with the terms of its commitments to the Public Service Commission (Commission) in connection with the Commission's approval of Charter's Acquisition of Time Warner Cable.¹ The Governor's Counsel expressed deep concerns over Charter's willingness to deliver on those services and commitments as represented, and asked that I review these matters immediately and take all necessary action to ensure New Yorkers receive those promised benefits.

Particular attention was raised with regard to the current labor dispute and the potential diminished size and skill of Charter's workforce. I share this concern as well. Charter is currently engaged in a protracted labor dispute with the International Brotherhood of Electric

¹ These commitments are contained in Appendix A to the Commission's January 8, 2016 Order Approving Joint Petition Subject to Conditions in Case 15-M-0388 (Approval Order).

Workers (IBEW) which started in March of this year and continues to date. This dispute involves approximately 1,700 Charter workers most of whom are considered “customer-facing” under the Commission’s Approval Order. As you are aware, Charter agreed, as part of the Commission’s Approval Order, to cause no net losses in customer facing jobs for four years from the issuance of the Approval Order. In light of the significant number of IBEW workers involved in this ongoing dispute, many people are calling into question whether Charter is adhering to that condition, and more broadly, its ability to deliver on its promised commitments.

This, combined with several other troubling factors, indicates that further investigation into Charter’s compliance with the Commission’s Approval Order’s conditions is warranted. These other factors include, but are not limited to, the continued receipt of numerous customer service complaints related to broadband and cable services received by the Department of Public Service Staff (Staff) since the close of the transaction, including complaints about broadband speeds, service outages, billing issues, and rate increases; Charter’s recognized failure to meet its obligation to extend its network to pass 36,250 new premises between May 2016 and May 2017; the Broadband Program Office’s inquiries over the scope and nature of Charter’s bid relative to the Commission’s Approval Order² and, Staff’s inability to independently verify, among other things, that Charter continues to offer Time Warner Cable’s “Everyday Low Price” service to new customers.

As you are aware, Charter is required to provide to the Commission in a timely manner any information, data or other resources that the Commission deems necessary or appropriate to administer Charter’s compliance with the Approval Order. Accordingly, please provide responses to the following information/data requests within two weeks of the date of this letter.

1. As stated above, Charter committed to not reducing its customer-facing work force for four years from the issuance of the Approval Order. In connection with this commitment provide:
 - a. Updated customer facing job counts from May, 2017 to present, including payroll and other documentation that demonstrates each customer-facing employee included in the job count is currently on the payroll of Charter.
 - b. An explanation regarding how the IBEW strike impacts this commitment.
 - c. The number of how many additional employees Charter has hired since the IBEW strike and an explanation of whether those hires are temporary or permanent with supporting payroll information for each.
2. The Approval Order requires Charter to continue to offer the Time Warner “Everyday Low Price” \$14.99 for two years from the date of the closing. Staff has been unable to verify the continuation of this service. Indeed, Staff have visited Charter’s website and to date have not been able to find any mention of the Everyday Low Price offering. Therefore, provide:
 - a. Copies of New York State rate cards containing the “Everyday Low Price” Service.

² See, e.g., October 2, 2017 letter from Ellen G. Manetti on behalf of the ESD Broadband Program Office to Charlie Williams, Charter Communications.

- b. Links to any webpages where customers can sign up for the Everyday Low Price service or otherwise learn that it continues to be available.
 - c. Any direct mail, advertising or other materials used to inform customers that Everyday Low Price is available.
 - d. The number of subscribers to Everyday Low Price on the date of the closing.
 - e. The current number of subscribers to Everyday Low Price.
3. The Commission required Charter to achieve a 17.5% reduction in its PSC Video Complaint Rate (from its 2014 rate) by the end of 2018. Charter should provide:
 - a. A report containing any internal metrics regarding the number of complaints received regarding video service from the close of the transaction, compared with the Calendar Year 2014 period.
4. The Commission required Charter to offer a \$14.99 low-income broadband product as a condition of its approval. Provide:
 - a. Any marketing materials used in New York associated with the Spectrum Internet Assist program.
 - b. Statistics or other reports regarding the number of customers in New York that are receiving service through this program.
5. The Approval Order required that Charter allow existing Time Warner customers to retain legacy Time Warner standalone broadband or bundled broadband services for three years following the close of the transaction. In connection with this condition, provide:
 - a. The number of subscribers to broadband or bundled services on the date of the closing.
 - b. The current number of subscribers to legacy Time Warner broadband or bundled services.
6. The Commission required that Charter bid for Broadband 4 All Program funding to provide line extensions to any remaining unserved and underserved premises in its New York service territory, exclusive of the 145,000 premises that will be built out pursuant to the Approval Order. Provide:
 - a. Details regarding when Charter made such a bid, including any copies of the bid and associated materials.
7. Pursuant to the Approval Order, Charter's network shall be all-digital within 30 months of the close of the transaction and Charter shall make investments and offer broadband speeds up to 100 Megabits per second (Mbps) to all its customers (including Columbia County) by the end of 2018. On May 2017, Charter advised the Commission that it was offering 100 Mbps broadband speeds to all its customer who had broadband available. However, there is nothing in the compliance filing supporting this claim. On the other hand, the Department of Public Service continues to receive complaints regarding issues associated with purported broadband speeds. Therefore, further information is necessary to support this claim. Provide:
 - a. A detailed report on what work was done to achieve this commitment.

- b. Any and all analysis, data, information of other relevant documents.
 - c. Any and all field testing done by Charter.
 - d. Any broadband-related speed complaints received by Charter.
8. Charter further advised that it is on schedule to complete the Columbia County upgrade by the end of 2018. However, there is nothing to support its claim. Therefore, further information is necessary. Provide:
- a. A detailed report explaining the work completed to date in Columbia County.
 - b. A detailed report on the remaining work to be completed in Columbia County.
 - c. All analysis, data, information of other documents to support this claim.
 - d. All field testing done by Charter to support this claim.
9. Pursuant to the Approval Order, Charter shall make investments and offer broadband speeds up to 300 Mbps to all its customers by the end of 2019. To ensure that Charter is on track to meet this obligation, provide:
- a. A detailed report on what work was done to achieve this commitment.
 - b. Any and all analysis, data, information of other relevant documents.
 - c. Any and all field testing done by Charter.
 - d. Any broadband-related speed complaints received by Charter.
10. Charter is required to invest \$50 million in customer service improvements in the two years following the close of the transaction. Charter last provided an update in May, 2017 regarding these investments. Charter should provide:
- a. An update regarding what additional expenditures have been made since May 2017.

I look forward to your responses, including this pertinent information.

Sincerely,



John B. Rhodes
Chairman