

Jamie Ormon, Administrative Law Judge
Matthew Baker, Commissioner
California Public Utilities Commission
505 Van Ness Ave
San Francisco, California 94102

Dear Judge Ormon and Commissioner Baker,

In the 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), proceeding A2507016.

The American Consumer Institute Center for Citizen Research (ACI) is a nonprofit 501(c)(3) educational and research institute with the mission to identify, analyze, and protect the interests of consumers in legislative and rulemaking proceedings.

The federally approved merger between Cox and Charter is an opportunity to bolster strong competition in California's communications market. The California Public Utilities Commission (CPUC) should approve Cox and Charter's transfer in a timely manner to avoid delaying benefits to consumers.

Approving this merger will benefit Californians. With little to no geographical overlap between the two companies, a merger would not affect consumer choice—the number of firms in an area would remain unchanged.¹ Furthermore, a wider, national network would create a larger economy of scale, which Cox-Charter can leverage to reduce prices and put more competitive pressure on incumbent telephone carriers in California.² Charter expects to save as much as \$500 million in post-merger operational costs, which can be reinvested into better services or passed on to consumers through lower prices.³

Economic theory suggests that these savings will be passed on to consumers since Cox and Charter belong to a highly competitive, convergent market where fiber optics, fixed wireless, and even satellite technology deliver near-identical services that consumers can switch between with ease.⁴

¹ "FCC National Broadband Map," FCC National Broadband Map, accessed April 27, 2026, <https://broadbandmap.fcc.gov>.

² Nate Karren, "Report: The Need for Mergers in High-Fixed-Cost Industries – The American Consumer Institute Center for Citizen Research," The American Consumer Institute, October 14, 2025, <https://www.theamericanconsumer.org/2025/10/report-the-need-for-mergers-in-high-fixed-cost-industries/>.

³ Liza Watkins, "Cautionary Statement Regarding Forward-Looking Statements," *The Massachusetts Review* 63, no. 1 (2022): 186–87, <https://doi.org/10.1353/mar.2022.0026>.

⁴ Ellis Scherer and Joe Kane, "Broadband Convergence Is Creating More Competition," Information Technology and Innovation Foundation, July 7, 2025, <https://itif.org/publications/2025/07/07/broadband-convergence-is-creating-more-competition/>.

The substitutability of different communications technologies puts pressure on incumbent cable providers to deliver better, cheaper service for their customers. With a timely approval from the CPUC, this merger can benefit consumers through stronger competition, better services, and no reduction in choice.

Californians look forward to the added benefits this merger can bring. Hundreds of comments have been submitted so far, with strong support for the merger. Commenters highlight connectivity concerns, high costs, and the need for more robust competition as reasons why the CPUC should approve the merger.⁵

Without the CPUC's timely approval, these benefits could be delayed significantly. Under federal law, Cox and Charter have until September 15, 2026, to close the deal; otherwise, they must restart the merger process, which could add another year to the total timeline.⁶ Denial or slow approval for this merger would needlessly keep the benefits of stronger competition out of reach for consumers.

The federally approved merger between Cox and Charter can leverage a nationwide network to benefit consumers, either through reinvesting savings for better service or passing them on as lower prices. Approval arriving too late can push back these benefits needlessly. ACI recommends that CPUC approve this merger without delay.

Respectfully,

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⁵ "Proceedings Tab5 – Public Comments," California Public Utilities Commission, accessed April 27, 2026, [https://apps.cpuc.ca.gov/apex/f?p=401:65:::~::](https://apps.cpuc.ca.gov/apex/f?p=401:65:::)

⁶ Etan Vlessing, "Charter CEO Says California Last Stop Before Cox Merger Approval," *The Hollywood Reporter*, March 4, 2026, <https://www.hollywoodreporter.com/business/business-news/charter-cox-merger-approval-1236521701/>; and Jessica Melugin, "An Easy Win Possible on Affordability for California Regulators," Competitive Enterprise Institute, April 20, 2026, <https://cei.org/blog/an-easy-win-possible-on-affordability-for-california-regulators/>.