**DA 15-856**

**Released: July 27, 2015**

**COMMISSION ACCEPTS FOR FILING APPLICATIONS OF CHARTER COMMUNICATIONS, INC., TIME WARNER CABLE, INC., AND ADVANCE/NEWHOUSE PARTNERSHIP FOR CONSENT TO TRANSFER CONTROL OF LICENSES AND AUTHORIZATIONS**

**MB Docket No. 15-149**

On June 25, 2015, Charter Communications, Inc. (“Charter”), Time Warner Cable, Inc. (“Time Warner Cable”), and Advance/Newhouse Partnership (“Advance/Newhouse” and, together with Charter and Time Warner Cable, the “Applicants”) submitted joint applications to the Commission seeking consent to transfer control of various Commission licenses and other authorizations pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended.[[1]](#footnote-2) These transfers are a necessary component of proposed transactions through which Charter, Time Warner Cable, and Advance/Newhouse’s Bright House Networks, LLC (“Bright House Networks”) will merge (the “Transaction”).[[2]](#footnote-3) The applications for transfer of control of the licenses and other authorizations referred to in this Public Notice have been accepted for filing upon initial review.[[3]](#footnote-4) The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission’s rules, regulations, or policies. The details of the proposed transfers are set forth below.

The Applicants assert that certain information in their applications is competitively sensitive and should be treated as confidential under our rules. At the same time, we expect interested parties will seek to review that information in order to analyze and meaningfully comment upon the proposed transaction. We expect that we will issue a protective order in this proceeding to protect any competitively sensitive information that is filed in the record while still permitting a limited disclosure to allow commenters to review and use the information for purposes of this proceeding. When we do so, we will issue a public notice setting forth the pleading cycle.[[4]](#footnote-5)

# DESCRIPTION OF THE APPLICANTS

Charter is a communications company that provides broadband Internet, video, voice, and business services. According to Applicants, Charter now serves over 5.8 million residential customers and 386,000 commercial relationships in 28 states.[[5]](#footnote-6) Applicants state that Charter’s broadband Internet services offers a minimum of 60 Megabits per second (“Mbps”) to nearly all of its 4.8 million residential broadband customers.[[6]](#footnote-7) In addition, Charter is currently the seventh-largest multichannel video programming distributor (“MVPD”) in the United States, and serves 4.2 million residential video customers over its all-digital network.[[7]](#footnote-8) Charter also provides voice service to 2.4 million residential customers via VoIP technology.[[8]](#footnote-9) It operates subsidiaries authorized to provide domestic interstate telecommunications services in 27 states.[[9]](#footnote-10) Charter also offers commercial services, including data networking, broadband Internet, managed video and music services, wireless backhaul, and “last-mile” fiber connectivity to commercial premises, to 386,000 commercial customers.[[10]](#footnote-11)

According to Applicants, Time Warner Cable provides broadband Internet, video and voice services to over 15 million customers across 30 states.[[11]](#footnote-12) Time Warner Cable offers high-speed broadband Internet service to its approximately 11.7 million residential customers in 30 states.[[12]](#footnote-13) Time Warner Cable also provides advanced cable services to approximately 10.8 million residential video customers, making it the fourth-largest MVPD in the United States.[[13]](#footnote-14) Time Warner Cable delivers voice services to approximately 5.3 million residential customers, who have access to Digital Phone, an interconnected VoIP service, throughout Time Warner Cable’s footprint.[[14]](#footnote-15) It operates subsidiaries authorized to provide domestic interstate telecommunications services in 31 states.[[15]](#footnote-16) In addition, Time Warner Cable offers a variety of business services to local and regional customers.[[16]](#footnote-17) Time Warner Cable also owns and manages local news and lifestyle networks, including Time Warner Cable News NY1.[[17]](#footnote-18) In addition, Time Warner Cable owns two regional sports networks (“RSNs”)—Time Warner Cable SportsNet and Time Warner Cable Deportes—which carry Los Angeles Lakers basketball games and other regional programming.[[18]](#footnote-19) Applicants state that Time Warner Cable also manages the distribution of SportsNet LA, which carries Los Angeles Dodgers games.[[19]](#footnote-20) According to Applicants, Time Warner Cable possesses a 26.8 percent minority interest in SportsNet New York, and provides affiliate sales, advertising sales, and production and technical services to SportsNet LA.[[20]](#footnote-21) Time Warner Cable (together with Bright House Networks) also has an attributable interest of 6.35 percent in the national MLB Network and a 28.9 percent interest in the iN Demand programming service.[[21]](#footnote-22) Time Warner Cable also sells video and online advertising to local, regional, and national customers by itself, through a consortium of cable companies under NCC Media, and through a number of local/regional interconnects that Time Warner Cable manages on behalf of itself and other cable operators.[[22]](#footnote-23) Finally, Time Warner Cable provides programming acquisition, network management, and maintenance services to Bright House Networks pursuant to a management agreement.[[23]](#footnote-24)

Advance/Newhouse is the parent of Bright House Networks,[[24]](#footnote-25) a communications company that currently delivers video, high-speed data, home security, and voice services to approximately 2.5 million residential and business customers in Florida, Alabama, Indiana, Michigan, California, and Georgia.[[25]](#footnote-26) Bright House Networks is the tenth-largest MVPD in the United States, serving over 2 million video customers.[[26]](#footnote-27) According to Applicants, approximately 1.7 million of those customers are located in the central Florida region, including in Orlando and Tampa Bay.[[27]](#footnote-28) In addition, Applicants state that Bright House Networks offers a low-income broadband option (“Connect2Compete”) in partnership with schools to provide a low cost Internet service, discounts on Internet-capable devices, and digital literacy training.[[28]](#footnote-29) Applicants state that Bright House Networks also owns and operates local news and high school sports networks in Florida.[[29]](#footnote-30) According to Applicants, Advance/Newhouse also holds a 32.81 percent attributable interest in national programming services provided by Discovery Communications Inc., and Bright House Networks, LLC owns 5.3 percent of iN Demand.[[30]](#footnote-31)

# DESCRIPTION OF THE PROPOSED TRANSACTION

The proposed transaction, if approved, would combine the control of Charter, Time Warner Cable, and Bright House Networks into a single company, referred to as New Charter. According to Applicants, Time Warner Cable stockholders would receive a combination of cash and stock that values Time Warner Cable at approximately $78.7 billion, and Advance/Newhouse would receive a combination of cash and partnership units that values Bright House Networks at approximately $10.4 billion.[[31]](#footnote-32) As Applicants describe, there are three components to the Transaction, each of which is expected to occur simultaneously upon closing.[[32]](#footnote-33)

*First*, Time Warner Cable would become a subsidiary of New Charter through a series of mergers.[[33]](#footnote-34) According to Applicants, through these mergers, Time Warner Cable shareholders would be given the choice to receive, for each share of Time Warner Cable stock, either (a) a combination of $100 per share and approximately 0.4891 shares of New Charter Class A common stock, or (b) a combination of $115 per share and approximately 0.4125 shares of New Charter Class A common stock.[[34]](#footnote-35)

*Second*, Charter would merge with a subsidiary of New Charter, becoming a subsidiary of New Charter, and each then outstanding share of Charter Class A common stock would be converted into 0.9042 shares of New Charter Class A common stock.[[35]](#footnote-36) Applicants state that New Charter would assume the Charter name and its existing NASDAQ Stock Market ticker symbol (CHTR).[[36]](#footnote-37) Additionally, Liberty Broadband would contribute $4.3 billion in cash to New Charter in exchange for shares of New Charter Class A common stock, which, with the additional contribution of $700 million referred to below, would give Liberty Broadband an 18 to 19 percent interest in New Charter.[[37]](#footnote-38)

*Third*, New Charter would acquire Bright House Networks, with limited exceptions, from Advance/Newhouse for approximately $10.4 billion, consisting of (a) approximately $2 billion in cash, (b) one share of New Charter Class B common stock carrying voting rights in New Charter,[[38]](#footnote-39) and (c) common and preferred units, valued at approximately $8.4 billion, in a partnership that would be principally held by New Charter and that would hold all of Bright House Networks’ assets, as well as assets of Charter and Time Warner Cable.[[39]](#footnote-40) The preferred units would be convertible into common units of the partnership, and the common units would be exchangeable by Advance/Newhouse, in certain circumstances, for cash or, at the election of New Charter, New Charter Class A common stock, and, together with the partnership units, would represent approximately 13 to 14 percent of New Charter on an as-converted, as-exchanged basis.[[40]](#footnote-41)

In connection with the Bright House Networks portion of the Transaction, Applicants state that Liberty Broadband would contribute an additional $700 million in cash (for a total of $5 billion, including the $4.3 billion noted above) in exchange for shares of New Charter Class A common stock.[[41]](#footnote-42) As noted above, Liberty Broadband would own approximately 18 to 19 percent of New Charter (with additional voting rights pursuant to a proxy granted by Advance/Newhouse and a proxy granted by Liberty Interactive Corp.) as a result of its investments.[[42]](#footnote-43)

Applicants state that, upon the Transaction’s completion, majority ownership—67 to 69 percent on an as-converted, as-exchanged basis—of New Charter would be publicly held, and a majority of the 13-person board would not be nominated by either Advance/Newhouse (which would nominate two board members at closing) or Liberty Broadband (which would nominate three board members at closing).[[43]](#footnote-44) In addition, Applicants state that Tom Rutledge, Charter’s current President and CEO, would hold a board seat and be offered the position of Chairman and CEO of New Charter.[[44]](#footnote-45) According to Applicants, following the Transaction, New Charter would own and/or manage systems serving approximately 19.4 million broadband customers, 17.3 million video customers, and 9.4 million voice customers (23.9 million customers total) across 41 states.[[45]](#footnote-46)

According to Applicants, the Transaction would produce substantial public interest benefits.[[46]](#footnote-47)  In particular, Applicants assert that the Transaction would result in the provision of improved broadband services for consumers and edge providers.[[47]](#footnote-48) Specifically, Applicants claim that the combined company would raise the minimum broadband speed to 60 Mbps throughout almost all of the merged company’s footprint, with pricing based on Charter’s current model.[[48]](#footnote-49) Moreover, Applicants state their intent to offer these broadband services on a stand-alone as well as bundled basis, without data caps, usage-based pricing, modem fees, or early termination fees.[[49]](#footnote-50) Applicants also commit that New Charter would not block, throttle, or engage in paid prioritization of Internet traffic.[[50]](#footnote-51) Applicants state that New Charter would continue to engage in reasonable and non-discriminatory interconnection and will submit any interconnection disputes to the Commission for resolution.[[51]](#footnote-52) Applicants further commit to investing at least $2.5 billion to build out New Charter’s networks.[[52]](#footnote-53) Applicants also assert that the Transaction would result in the provision of superior video offerings at more competitive prices.[[53]](#footnote-54) They claim that, among other things, the merged company would complete the digitization of the Time Warner Cable and Bright House Networks systems faster than would occur otherwise, and within 30 months of closing.[[54]](#footnote-55)

Applicants also assert that the Transaction would generate substantial public interest benefits deriving from the combined company’s expanded scale and denser geographic coverage.[[55]](#footnote-56) They claim that by expanding into, and increasing density within, multiple regions, the merger would enable New Charter to compete more effectively for large enterprise and other multi-location customers.[[56]](#footnote-57) According to Applicants, the scale achieved by the Transaction also would lower the per-customer fixed costs of investments, facilitating the deployment of new technology and advanced infrastructure and enabling New Charter to compete more effectively.[[57]](#footnote-58) Applicants further contend that New Charter would realize substantial synergies, reducing the merged company’s costs.[[58]](#footnote-59) According to Applicants, New Charter would thus have the resources and incentives to invest in providing superior services to consumers, online video distributors (“OVDs”), and edge providers.[[59]](#footnote-60)

And finally, according to Applicants, the combined company would build on each individual company’s commitments to customer service and good corporate citizenship, and would bring previously outsourced jobs back to the United States.[[60]](#footnote-61)

In addition to citing affirmative public interest benefits, Applicants claim that the Transaction would not result in any public interest harms. Applicants first contend that the Transaction raises no horizontal concerns because the Applicants serve distinct geographic areas.[[61]](#footnote-62) Specifically, Applicants state that less than one percent of the census blocks that make up New Charter’s footprint contain customers of more than one of the merging companies, and in the census blocks where there is such overlap, the merging companies generally serve different areas.[[62]](#footnote-63)

According to Applicants, the Transaction also would not cause any harm to the content distribution marketplace, either with respect to edge providers or traditional video programmers and distributors. In particular, Applicants assert that New Charter would not have any incentive to foreclose OVDs or other edge providers; instead, they claim, New Charter would have incentives to promote OVDs to expand subscribership to its broadband network, which, according to Applicants, generates much higher margins than the combined company’s video business.[[63]](#footnote-64) Applicants also contend that New Charter would lack the ability to engage successfully in a foreclosure strategy, as it would have at least 2.5 million fewer broadband subscribers than Comcast Corporation serves today, and would serve only approximately 17 percent of MVPD subscribers nationwide, making it the third-largest MVPD.[[64]](#footnote-65) Moreover, Applicants assert that the Transaction would not have a substantial effect on the top designated market areas (“DMAs”) because New Charter would add a substantial presence in only three DMAs where Time Warner Cable or Bright House Networks do not already have a presence (Boston, Atlanta, and Minneapolis), and in each, Comcast would remain the largest market participant by far.[[65]](#footnote-66)

Applicants further state that the Transaction does not raise vertical concerns because the merged company would not own any controlling interests in nationwide broadcast or cable networks.[[66]](#footnote-67) According to Applicants, New Charter would not be a significant owner of content, and the programming controlled by the merging entities is limited to various local and regional networks.[[67]](#footnote-68) Applicants assert that the minority interests held by Liberty Broadband and Advance/Newhouse in New Charter would not impact New Charter’s programming decisions.[[68]](#footnote-69) According to Applicants, because New Charter would have no economic interest in Liberty Broadband, Advance/Newhouse, or any of those two entities’ affiliates, New Charter would have no financial stake in the success of programming affiliated with those entities.[[69]](#footnote-70)In addition, Applicants state that “given the limited nature and quantity of programming affiliated with Liberty Broadband and Advance/Newhouse, neither has any incentive to take actions that conflict with New Charter’s best interests.”[[70]](#footnote-71)

Finally, Applicants state that the Transaction would not result in the violation of any provisions of the Communications Act or the Commission’s rules.[[71]](#footnote-72)

# TRANSFER OF CONTROL APPLICATIONS

The file numbers and call signs of the Charter, Time Warner Cable, and Bright House Networks facilities that are the subject of the transfer of control applications are listed in the Attachment to this Public Notice. Interested parties should refer to the transfer of control applications for a listing of the licenses. Parties should be aware that additional applications may have to be filed to identify any additional licenses and other authorizations in the services noted. Applicants have requested that the Commission’s grant of consent to the transfer of control of the licenses and other authorizations include the authority for Charter Communications, Inc. to acquire control of (1) any licenses and other authorizations issued to Applicants or any of their subsidiaries or affiliates during the Commission’s consideration of the applications and the period required for the consummation of the proposed Transaction following approval; and (2) applications filed by Applicants or their subsidiaries or affiliates and that are pending at the time of the proposed Transaction.[[72]](#footnote-73)

# *EX PARTE* STATUS OF THIS PROCEEDING

As set forth in the Public Notice opening the docket,[[73]](#footnote-74) this proceeding will be governed by the permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission’s rules.[[74]](#footnote-75) Parties making oral *ex parte* presentations are reminded that they must file notice of the presentations which must contain, with regard to material already in the written record, either a succinct summary of the matters discussed or a citation providing the page or paragraph number in the party’s written submission(s) where the matters discussed can be found, and with regard to any new information, a summary of the new data and arguments presented.[[75]](#footnote-76) Memoranda must contain a summary of the substance of the *ex parte* presentation and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. All of the disclosure requirements pertaining to oral and written *ex parte* presentations are set forth in section 1.1206(b).[[76]](#footnote-77) Requests for exemptions from the disclosure requirement pursuant to section 1.1204(a)(9)[[77]](#footnote-78) may be made to Jonathan Sallet at (202) 418-1700 or Owen Kendler at (202) 418-1758.

# REQUESTS FOR *EX PARTE* MEETINGS

All requests for meetings with Commission staff regarding this Docket should be made online using the link at <https://transition.fcc.gov/transaction/charter-twc-bhn_exparte-meeting-request/>. Those who lack Internet access may direct their requests to Natividad Persaud, Wireline Competition Bureau, at (202) 418-1604.

# GENERAL INFORMATION

One copy of each *ex parte* submission, which should include a reference to MB Docket No. 15‑149, must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail, to: (1) Vanessa Lemmé, Industry Analysis Division, Media Bureau, at Vanessa.Lemme@fcc.gov, (202) 418-2611 (phone), or 418-2053 (facsimile); (2) Marcia Glauberman, Industry Analysis Division, Media Bureau, at Marcia.Glauberman@fcc.gov or (202) 418-7046; (3) Adam Copeland, Competition Policy Division, Wireline Competition Bureau, at Adam.Copeland@fcc.gov; (4) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile); (5) Elizabeth McIntyre, Wireline Competition Bureau, at Elizabeth.McIntyre@fcc.gov; (6) Jeff Tobias, Wireless Telecommunications Bureau, at Jeff.Tobias@fcc.gov, (202) 418-1617 (phone), or (202) 418-7447 (facsimile); and (7) each Commissioner or Commission employee who attended or otherwise participated in the *ex parte* meeting.

Any submission that is e-mailed to the persons listed above should include in the subject line of the e-mail: (1) MB Docket No. 15-149; (2) the name of the submitting party; and (3) a brief description of the title identifying the type of document being submitted (*e.g.*, MB Docket No. 15-149, Charter Communications, Inc., *Ex Parte* Notice).

*People with Disabilities*. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), or (202) 418-0432 (TTY).

*Availability of Documents****.*** Documents in this proceeding will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC 20554. The Application is also available electronically through the Commission’s ECFS, which may be accessed on the Commission’s Internet website at [http://www.fcc.gov](http://www.fcc.gov/). Additional information regarding the proposed transaction will be available on the FCC’s Office of General Counsel’s transaction website, <https://www.fcc.gov/transaction/charter-twc-bhn>, which will contain an unofficial listing and electronic copies of materials in this Docket.

*Further Information*. For further information, contact Marcia Glauberman, Media Bureau, (202) 418-7046, or Adam Copeland, Wireline Competition Bureau, (202) 418-1037. Press inquiries should be directed to Janice Wise, Media Bureau, (202) 418-8165. TTY: (202) 418-2555 or (888) 835-5322.

**-FCC-**

**ATTACHMENT**

**CHARTER TO CHARTER LICENSES AND AUTHORIZATIONS**

**Part 78 – Cable Television Relay Service (CARS)**

| **File No.** | **Licensee** | **Call Sign** |
| --- | --- | --- |
| CAR-20150630AA-09 | CC VIII Operating, LLC | KQQ-26 |
| CAR-20150630AB-09 | CC VIII Operating, LLC | WLY-689 |
| CAR-20150630AC-09 | CC VIII Operating, LLC | WLY-669 |
| CAR-20150630AD-09 | Charter Cable Partners, LLC | WLY-637 |
| CAR-20150630AF-09 | Bresnan Communications, LLC | WHZ-634 |
| CAR-20150630AG-09 | Bresnan Communications, LLC | WHZ-748 |
| CAR-20150630AH-09 | Bresnan Communications, LLC | WLY-332 |
| CAR-20150630AI-09 | Bresnan Communications, LLC | WLY-861 |
| CAR-20150630AJ-09 | Bresnan Communications, LLC | WLY-914 |
| CAR-20150630AK-09 | CCO SoCal I, LLC | WAM-603 |
| CAR-20150630AL-09 | CCO SoCal I, LLC | WAM-609 |
| CAR-20150630AM-09 | CCO SoCal I, LLC | WHZ-899 |
| CAR-20150630AN-09 | CCO SoCal I, LLC | WSA-52 |
| CAR-20150630AO-09 | CCO SoCal I, LLC | WSJ-78 |
| CAR-20150630AP-09 | CCO SoCal I, LLC | WGV-505 |
| CAR-20150630AQ-09 | CCO SoCal I, LLC | WHZ-511 |
| CAR-20150630AR-09 | CCO SoCal I, LLC | WHZ-662 |
| CAR-20150630AS-09 | CCO SoCal I, LLC | WHZ-764 |
| CAR-20150630AT-09 | CCO SoCal I, LLC | WBW-21 |
| CAR-20150630AU-09 | Falcon Cable Systems Company II, LP | WHZ-856 |
| CAR-20150630AV-09 | Falcon Cable Systems Company II, LP | WHZ-645 |
| CAR-20150630AW-09 | Falcon Cable Systems Company II, LP | WLY-695 |
| CAR-20150630AX-09 | Falcon Cable Systems Company II, LP  | WHZ-632 |
| CAR-20150630AY-09 | Falcon Community Venture I, LP | WAY-753 |
| CAR-20150630AZ-09 | Falcon Community Venture I, LP | WHZ-908 |
| CAR-20150630BA-09 | Falcon Community Venture I, LP | WLY-441 |
| CAR-20150630BB-09 | Falcon Community Venture I, LP | WLY-446 |
| CAR-20150630BC-09 | Falcon Video Communications L.P. | WGJ-868 |
| CAR-20150630BD-09 | Rifkin Acquisition Partners, LLC | WGZ-305 |

**Parts 27, 87, 90 and 101 – Private Wireless Licenses**

| **File No.** | **Licensee** | **Lead Call Sign** |
| --- | --- | --- |
| 0006844362 | Charter Communications Operating, LLC | WQRJ765 |
| 0006846098 | Bresnan Communications, LLC | WNKK403 |
| 0006844566 | CC Michigan, LLC | WQLA501 |
| 0006845163 | Charter Communications, LLC | WQLA212 |
| 0006844904 | CCO SoCal I, LLC | WQKG921 |
| 0006845110 | Falcon Cable Systems Co. II, LP | WQKG920 |
| 0006845141 | Plattsburgh Cablevision Inc. | KVE945 |
| 0006845195 | Charter Communications, LLC | WQTA660 |
| 0006854019 | Charter Communications, Inc. | WQRA689 |

**Part 63 – Domestic Section 214 Authority**

| **Blanket Domestic Section 214 Authority** |
| --- |
| Charter Fiberlink – Alabama |
| Charter Fiberlink CA-CCO |
| Bresnan Broadband of Colorado |
| Charter Fiberlink CT-CCO |
| Charter Fiberlink – Georgia |
| Charter Fiberlink – Illinois |
| Charter Fiberlink LA-CCO |
| Charter Fiberlink MA-CCO |
| Charter Fiberlink – Michigan |
| Charter Fiberlink CC VIII |
| Charter Fiberlink CCO |
| Charter Fiberlink MS-CCVI, LLC |
| Charter Fiberlink – Missouri  |
| Bresnan Broadband of Montana |
| Bresnan Digital Services |
| Charter Fiberlink – Nebraska |
| Charter Fiberlink NV-CCVII |
| Charter Fiberlink NH-CCO |
| Charter Fiberlink NY-CCO |
| Charter Fiberlink NC-CCO |
| Charter Fiberlink OR-CCVII |
| Charter Fiberlink SC-CCO |
| Charter Fiberlink – Tennessee  |
| Charter Fiberlink TX-CCO |
| Bresnan Broadband of Utah, LLC |
| Charter Fiberlink VT-CCO |
| Charter Fiberlink VA-CCO |
| Charter Fiberlink WA-CCVII |
| Bresnan Broadband of Wyoming |

**Section 214 Authorizations**

**Part 63 – International Section 214 Authorizations**

| **File No.** | **Authorization Holder** | **Authorization Number** |
| --- | --- | --- |
| ITC-T/C-20150625-00159 | CC Fiberlink, LLC | ITC-214-20030127-00070 |
| ITC-T/C-20150625-00158 | CCO Fiberlink, LLC | ITC-214-20060309-00144 |
| ITC-T/C-20150625-00157 | CCVII Fiberlink LLC | ITC-214-20060309-00145 |
| ITC-T/C-20150625-00156 | Charter Fiberlink CC VIII, LLC | ITC-214-20090313-00122 |
| ITC-T/C-20150625-00154 | Bresnan Digital Services, LLC | ITC-214-20061117-00525 |

**TIME WARNER CABLE TO CHARTER LICENSES AND AUTHORIZATIONS**

**Part 78 – Cable Television Relay Service (CARS)**

| **File No.** | **Licensee** | **Call Sign** |
| --- | --- | --- |
| CAR-20150630BE-09 | Oceanic Time Warner Cable, LLC  | WAE-470 |
| CAR-20150630BF-09 | Oceanic Time Warner Cable, LLC  | WAE-478 |
| CAR-20150630BG-09 | Oceanic Time Warner Cable, LLC  | WAX-743 |
| CAR-20150630BH-09 | Oceanic Time Warner Cable, LLC  | WBM-742 |
| CAR-20150630BI-09 | Oceanic Time Warner Cable, LLC  | WBM-744 |
| CAR-20150630BJ-09 | Oceanic Time Warner Cable, LLC  | WLY-376 |
| CAR-20150630BK-09 | Oceanic Time Warner Cable, LLC  | WLY-402 |
| CAR-20150630BL-09 | Oceanic Time Warner Cable, LLC  | WLY-415 |
| CAR-20150630BM-09 | Oceanic Time Warner Cable, LLC  | WLY-713 |
| CAR-20150630BN-09 | Time Warner Cable Pacific West LLC | KB-60101 |
| CAR-20150630BO-09 | Time Warner Cable Pacific West LLC | KD-55007 |
| CAR-20150630BP-09 | Time Warner Cable Pacific West LLC | WAE-606 |
| CAR-20150630BQ-09 | Time Warner Cable Pacific West LLC | WHZ-293 |
| CAR-20150630BR-09 | Time Warner Cable Pacific West LLC | WHZ-301 |
| CAR-20150630BS-09 | Time Warner Cable Pacific West LLC | WLY-269 |
| CAR-20150630BT-09 | Time Warner Cable Pacific West LLC | WLY-662 |
| CAR-20150630BU-09 | Time Warner Cable Pacific West LLC | WLY-893 |
| CAR-20150630BV-09 | Time Warner Cable Midwest, LLC  | KD-55034 |
| CAR-20150701AA-09 | Time Warner Cable Northeast LLC | KB-60127 |
| CAR-20150701AB-09 | Time Warner Cable Northeast LLC | KD-55003 |
| CAR-20150701AC-09 | Time Warner Cable Northeast LLC | KD-55027 |
| CAR-20150701AD-09 | Time Warner Cable Northeast LLC | KD-55031 |
| CAR-20150701AE-09 | Time Warner Cable Northeast LLC  | WLY-609 |
| CAR-20150701AF-09 | Time Warner Cable Northeast LLC  | WLY-852 |
| CAR-20150701AG-09 | Time Warner Cable New York City LLC | KD-55028 |
| CAR-20150701AH-09 | Time Warner Cable Southeast LLC  | KD-55024 |
| CAR-20150701AI-09 | Time Warner Cable Southeast LLC  | KD-55026 |
| CAR-20150701AJ-09 | Time Warner Cable Southeast LLC  | WLY-235 |

**Parts 87, 90 and 101 – Private Wireless Licenses**

|  |  |  |
| --- | --- | --- |
| **File No.** | **Licensee** | **Lead Call Sign** |
| 0006842582 | Oceanic Time Warner Cable LLC | WQQS791 |
| 0006842587 | Time Warner Cable Enterprises LLC | WQJU341 |
| 0006842589 | Time Warner Cable Midwest LLC | WPAJ330 |
| 0006842592 | Time Warner Cable New York City LLC | WPOB447 |
| 0006842596 | Time Warner Cable Northeast LLC | KP3939 |
| 0006842599 | Time Warner Cable Pacific West LLC | KBL655 |
| 0006842601 | Time Warner Cable Southeast LLC  | KTK417 |

**Part 25 – Satellite Communications Licenses**

| **File No.** | **Licensee** | **Call Sign** |
| --- | --- | --- |
| SES-T/C-20150701-00438 | Time Warner Cable Southeast LLC | E020012 |
|  |  | E020045 |
|  |  | E070058 |
|  |  | E070059 |
|  |  | E070060 |
| SES-T/C-20150701-00439 | Time Warner Cable Northeast LLC | E020046 |
|  |  | E020162 |
|  |  | E030142 |
|  |  | E040258 |
|  |  | E040450 |
|  |  | E050253 |
| SES-T/C-20150701-00440 | Time Warner Cable Texas LLC | E120088 |
|  |  | E140111 |
| SES-T/C-20150701-00441 | Time Warner Cable Midwest LLC | E020130 |
|  |  | E040257 |
| SES-T/C-20150701-00442 | Time Warner Cable New York City LLC | E010308 |
| SES-T/C-20150701-00443 | Oceanic Time Warner Cable LLC | E080200 |

**Section 214 Authorizations**

**Part 63 – Domestic Section 214 Authority**

| **Blanket Domestic Section 214 Authority** |
| --- |
| Time Warner Cable Business LLC |
| DukeNet Communications, LLC |
| Time Warner Cable Information Services (Alabama), LLC |
| Time Warner Cable Information Services (Arizona), LLC |
| Time Warner Cable Information Services (California), LLC |
| Time Warner Cable Information Services (Colorado), LLC |
| Time Warner Cable Information Services (Hawaii), LLC |
| Time Warner Cable Information Services (Idaho), LLC |
| Time Warner Cable Information Services (Illinois), LLC |
| Time Warner Cable Information Services (Indiana), LLC |
| Time Warner Cable Information Services (Kansas), LLC |
| Time Warner Cable Information Services (Kentucky), LLC |
| Time Warner Cable Information Services (Maine), LLC |
| Time Warner Cable Information Services (Massachusetts), LLC |
| Time Warner Cable Information Services (Michigan), LLC |
| Time Warner Cable Information Services (Missouri), LLC |
| Time Warner Cable Information Services (Nebraska), LLC |
| Time Warner Cable Information Services (New Hampshire), LLC |
| Time Warner Cable Information Services (New Jersey), LLC |
| Time Warner Cable Information Services (New Mexico), LLC |
| Time Warner Cable Information Services (New York), LLC |
| Time Warner Cable Information Services (North Carolina), LLC |
| Time Warner Cable Information Services (Ohio), LLC |
| Time Warner Cable Information Services (Pennsylvania), LLC |
| Time Warner Cable Information Services (South Carolina), LLC |
| Time Warner Cable Information Services (Tennessee), LLC |
| Time Warner Cable Information Services (Texas), LLC |
| Time Warner Cable Information Services (Virginia), LLC |
| Time Warner Cable Information Services (Washington), LLC |
| Time Warner Cable Information Services (West Virginia), LLC |
| Time Warner Cable Information Services (Wisconsin), LLC |

**Part 63 – International Section 214 Authorizations**

|  |  |  |
| --- | --- | --- |
| **File No.** | **Authorization Holder** | **Authorization Number** |
| ITC-T/C-20150702-00164 | TWCIS HoldCo LLC | ITC-214-20030117-00043 |
| ITC-T/C-20150702-00165 | Insight Midwest Holdings, LLC | ITC-214-20040723-00514 |

**BRIGHT HOUSE NETWORKS TO CHARTER LICENSES AND AUTHORIZATIONS**

**Part 78 – Cable Television Relay Service (CARS)**

|  |  |  |
| --- | --- | --- |
| **File No.** | **Licensee** | **Call Sign** |
| CAR-20150701AK-09 | Bright House Networks, LLC | KA-80616 |
| CAR-20150701AL-09 | Bright House Networks, LLC | KD-55009 |
| CAR-20150701AM-09 | Bright House Networks, LLC | KD-55011 |
| CAR-20150701AN-09 | Bright House Networks, LLC | WHZ-396 |
| CAR-20150701AO-09 | Bright House Networks, LLC | WHZ-652 |

**Parts 87, 90 and 101 – Private Wireless Licenses**

| **File No.** | **Licensee** | **Lead Call Sign** |
| --- | --- | --- |
| 0006834557 | Bright House Networks, LLC | KBR969 |

**Part 25 – Satellite Communications Licenses**

|  |  |  |
| --- | --- | --- |
| **File No.** | **Licensee** | **Call Sign** |
| SES-T/C-20150702-00448 | Bright House Networks, LLC | E060061 |
|  |  | E060137 |
|  |  | E060138 |
|  |  | E070009 |
|  |  | E980521 |
|  |  | E990035 |

**Section 214 Authorizations**

**Part 63 – Domestic Section 214 Authority**

|  |
| --- |
| **Blanket Domestic Section 214 Authority** |
| Bright House Networks, LLC |
| Bright House Networks Information Services (Alabama), LLC |
| Bright House Networks Information Services (California), LLC |
| Bright House Networks Information Services (Indiana), LLC |
| Bright House Networks Information Services (Florida), LLC |
| Bright House Networks Information Services (Michigan), LLC |

**Part 63 – International Section 214 Authorizations**

|  |  |  |
| --- | --- | --- |
| **File No.** | **Authorization Holder** | **Authorization Number** |
| ITC-T/C-20150625-00154 | Bright House Networks Information Services (Florida), LLC | ITC-214-20090525-00246 |

1. *See* 47 U.S.C. §§ 214, 310(d); Application of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to the Transfer of Control of Licenses and Authorizations (filed June 25, 2015). [↑](#footnote-ref-2)
2. *See* Application of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to the Transfer of Control of Licenses and Authorizations, MB Docket No. 15-149, Public Interest Statement at 2 (filed June 25, 2015) (Redacted “Public Interest Statement”), *available at* https://transition.fcc.gov/transaction/charter-twc-bhn/charter-twc-bhn-public-interest.pdf. Applicants state that “[a]lthough the Charter-Time Warner Cable and Charter-Bright House Networks transactions are not exclusively contingent on each other, the parties filed a consolidated public interest statement for the Commission’s and other parties’ convenience in light of the many similar issues arising from the two transactions.” *Id.* at 2 n.2. [↑](#footnote-ref-3)
3. A list of the licenses and authorizations subject to the Transaction is set forth in the Attachment to this Public Notice. Charter states that it believes the ownership changes impacting its own licenses and authorizations constitute, at most, *pro forma* transfers of control; nevertheless, because Charter has filed at the Commission under the Commission’s substantial change of control procedures for all Commission licenses held by Time Warner Cable and Bright House Networks in connection with these related transactions, Charter has also submitted its applications for its own licenses under the same procedures to facilitate Commission review. Public Interest Statement at 2 n.1. [↑](#footnote-ref-4)
4. Once the pleading cycle begins, we will start the informal 180-day clock for this merger proceeding. [↑](#footnote-ref-5)
5. *Id.* at 7. [↑](#footnote-ref-6)
6. *Id.* at 1, 7. [↑](#footnote-ref-7)
7. *Id.* at 8. [↑](#footnote-ref-8)
8. *Id.* [↑](#footnote-ref-9)
9. Application of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to the Transfer of Control of Licenses and Authorizations, MB Docket No. 15-149, Joint Section 214 Application at 6-7, 11-12 (filed June 25, 2015) (“Joint Section 214 Application”). [↑](#footnote-ref-10)
10. Public Interest Statement at 9. [↑](#footnote-ref-11)
11. *Id.* at 10. [↑](#footnote-ref-12)
12. *Id.* [↑](#footnote-ref-13)
13. *Id.* [↑](#footnote-ref-14)
14. *Id.* [↑](#footnote-ref-15)
15. Joint Section 214 Application at 9-11, 15. [↑](#footnote-ref-16)
16. *Id.* [↑](#footnote-ref-17)
17. Public Interest Statement at 11. [↑](#footnote-ref-18)
18. *Id.* [↑](#footnote-ref-19)
19. *Id.* [↑](#footnote-ref-20)
20. *Id.* Applicants state that Time Warner Cable does not possess an ownership interest in SportsNet LA. *Id.* at 11 n.18. [↑](#footnote-ref-21)
21. *Id.* at 11. [↑](#footnote-ref-22)
22. *Id.* at 12. [↑](#footnote-ref-23)
23. *Id.* [↑](#footnote-ref-24)
24. *Id.* Applicants state that Advance/Newhouse currently holds 33.3 percent of Time Warner Entertainment-Advance/Newhouse Partnership (“TWE-A/N Partnership”), which in turn is the sole member of Bright House Networks, and Time Warner Cable currently holds the other 66.67 percent of TWE-A/N Partnership. *Id.* at 12 n.19. According to Applicants, Advance/Newhouse exclusively tracks the economic performance of Bright House Networks and has exclusive day-to-day management responsibility for and *de facto* control over the operation of the Bright House Networks’ systems. *Id.* Applicants state that in order to facilitate, and simultaneously with, the Transaction, the TWE-A/N Partnership will be restructured pursuant to the existing agreement among the parties, resulting in Advance/Newhouse being the sole member of Bright House Networks. *Id.* [↑](#footnote-ref-25)
25. *Id.* at 12. [↑](#footnote-ref-26)
26. *Id.* [↑](#footnote-ref-27)
27. *Id.* [↑](#footnote-ref-28)
28. *Id.* at 12-13. [↑](#footnote-ref-29)
29. *Id.* at 13. [↑](#footnote-ref-30)
30. *Id.* at Appendix H. [↑](#footnote-ref-31)
31. Public Interest Statement at 13. [↑](#footnote-ref-32)
32. *Id.* [↑](#footnote-ref-33)
33. *Id.*  [↑](#footnote-ref-34)
34. *Id.* at 14. Applicants state that, prior to that conversion, Liberty Broadband and Liberty Interactive Corp. would contribute its shares of Time Warner Cable stock to the merger subsidiary in exchange for shares of the merger subsidiary on a one-for-one basis, which would be converted into shares of surviving Time Warner Cable on a one-for-one basis in the merger. *Id.* [↑](#footnote-ref-35)
35. *Id.* [↑](#footnote-ref-36)
36. *Id.* [↑](#footnote-ref-37)
37. *Id.* According to Applicants, these shares would be issued at a price equivalent to an exchange ratio of $176.95 per current Charter share, which represents Charter’s closing price on May 20, 2015, the trading day on which Charter’s offer to acquire Time Warner Cable was based. *Id.* at 14 n.21. [↑](#footnote-ref-38)
38. Applicants state that New Charter would also receive nominal consideration in exchange for the issuance of this share. *Id.* at 15 n.22. [↑](#footnote-ref-39)
39. *Id.* at 14-15. According to Applicants, these partnership units consist of (i) exchangeable common units valued at approximately $5.9 billion and (ii) convertible preferred units with a face amount of $2.5 billion, which will pay a six percent coupon. *Id.* at ­­15 n.23. In addition, the one share of Class B common stock held by Advance/Newhouse would be economically equivalent to Class A common stock but would initially possess a number of votes reflecting the voting power of the common units and the convertible preferred units held by Advance/Newhouse on an as-converted, as-exchanged basis. *Id.* [↑](#footnote-ref-40)
40. *Id.* at 15. According to Applicants, an “as-converted, as-exchanged basis” assumes that all of the partnership units held by Advance/Newhouse are converted into Class A common stock of New Charter. *Id.* at 15 n.24. [↑](#footnote-ref-41)
41. *Id.* at 15. [↑](#footnote-ref-42)
42. *Id.* Applicants state that, by virtue of its exchange of Time Warner Cable shares, Liberty Interactive Corp. would receive approximately 1.7 to 1.9 percent of New Charter stock, and pursuant to a proxy agreement, Liberty Broadband would vote Liberty Interactive’s New Charter shares. *Id.* at 15 n.26. [↑](#footnote-ref-43)
43. *Id.* at 16. [↑](#footnote-ref-44)
44. *Id.* [↑](#footnote-ref-45)
45. *Id.* at 13, 16.Applicants state that New Charter would be the third-largest MVPD. *Id.* at 16. [↑](#footnote-ref-46)
46. *Id.* at 17-42. [↑](#footnote-ref-47)
47. *Id.* at 21-25. [↑](#footnote-ref-48)
48. *Id.* at 2-3, 19-22. Applicants state that, in Time Warner Cable and Bright House Networks territories that are already all-digital, New Charter would introduce this offering within a year of closing. *Id.* at 21-22. Applicants also state that a small portion (less than one percent) of New Charter that is not interconnected to the New Charter network may be offered lower speeds. *Id.* at 3 n.3. In addition, Applicants state that New Charter would make available a separate low-income service that would build upon Bright House Networks’ existing low-income broadband program by raising the speed and expanding eligibility of the program while still offering a discounted rate. *Id.* at 3 n.3, 20, 41. [↑](#footnote-ref-49)
49. *Id.* at 3. [↑](#footnote-ref-50)
50. *Id.* at 3, 18-19, 23. Applicants state that these commitments would continue for three years, regardless of whether the Commission’s Open Internet rules are upheld in court. *Id.* [↑](#footnote-ref-51)
51. *Id.* at 19, 23. Applicants state that these commitments would also continue for three years, regardless of whether the Commission’s interconnection framework in the 2015 Open Internet Order is upheld in court. *Id.* [↑](#footnote-ref-52)
52. *Id.* at 18. Included in this build out is a commitment to build one million line extensions to homes in Charter’s current franchise area within four years of closing the Transaction. *Id.* Moreover, Applicants state that, within four years of closing, New Charter intends to deploy over 300,000 out-of-home Wi-Fi access points. *Id.* at 18, 27-28. [↑](#footnote-ref-53)
53. *Id.* at 25-27. [↑](#footnote-ref-54)
54. *Id.* at 3, 19, 21-22, 24. Applicants state that it is possible that systems serving fewer than one percent of homes may not be taken all-digital due to the challenges in interconnecting to the remaining New Charter network. *Id.* at 19 n.41. [↑](#footnote-ref-55)
55. *Id.* at 28-40. [↑](#footnote-ref-56)
56. *Id.* at 4, 35-38. Moreover, Applicants contend that increased scale and a denser footprint will enable New Charter to better compete for regional and national advertisers and to better market its own services. *Id.* at 38-40. [↑](#footnote-ref-57)
57. *Id.* at 28-33. [↑](#footnote-ref-58)
58. *Id.* at 31. [↑](#footnote-ref-59)
59. *Id.* at 28-30. [↑](#footnote-ref-60)
60. *Id.* at 20, 40-42. [↑](#footnote-ref-61)
61. *Id.* at 42-43. [↑](#footnote-ref-62)
62. *Id.* at 42-43. Specifically, Applicants state that two or more of the Applicants have a residential broadband customer in the same census block in 617 of the 1,350,503 census blocks where the three companies have residential broadband customers. *Id.* at 42 n.102. [↑](#footnote-ref-63)
63. *Id.* at 48-49. [↑](#footnote-ref-64)
64. *Id.* at 6, 54-56. Moreover, Applicants contend that the relevant industries in which New Charter would operate are, and will remain, competitive and dynamic. *Id.* at 59-61. [↑](#footnote-ref-65)
65. *Id.* at 5. Applicants state that New Charter would be the largest MVPD in four of the top 20 DMAs — Los Angeles, Tampa-St. Petersburg, Orlando-Daytona-Melbourne, and Cleveland-Akron/Canton — the same DMAs in which Time Warner Cable and Bright House Networks already have the largest presence. *Id.* at 47 & n.120. [↑](#footnote-ref-66)
66. *Id.* at 50-54, 58-59. [↑](#footnote-ref-67)
67. *Id.* at 52. [↑](#footnote-ref-68)
68. *Id.* at 53. [↑](#footnote-ref-69)
69. *Id.* [↑](#footnote-ref-70)
70. *Id.* at 53 n.146. [↑](#footnote-ref-71)
71. *Id.* at 61. [↑](#footnote-ref-72)
72. *Id.* at 62. [↑](#footnote-ref-73)
73. *Commission Opens Docket for Proposed Transfer of Control of Time Warner Cable, Inc. and Charter Communications Inc.,* MB Docket No. 15-149, Public Notice, DA 15-733 (MB, rel. June 23, 2015). [↑](#footnote-ref-74)
74. 47 C.F.R. § 1.1206. [↑](#footnote-ref-75)
75. An *ex parte* presentation is any communication (spoken or written) directed to the merits or outcome of a proceeding made to a Commissioner, a Commissioner’s assistant, or other decision-making staff member, that, if written, is not served on the other parties to the proceeding, or, if oral, is made without an opportunity for all parties to be present. *See* *id.* § 1.1202(a)-(c). [↑](#footnote-ref-76)
76. *See* *id.* § 1.1206(b). [↑](#footnote-ref-77)
77. *See* *id.* § 1.1204(a)(9). [↑](#footnote-ref-78)