

# International Center for Law & Economics

February 24, 2026

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

**Re: 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 Telecom, LLC (U-5684-C)**

Dear Judge Ormon and Commissioner Baker,

The International Center for Law & Economics (ICLE) respectfully submits these comments regarding the proposed merger between Charter Communications and Cox Communications, now under review by the California Public Utilities Commission (CPUC). ICLE is a nonprofit, nonpartisan research center that applies law & economics methods to public policy. Our work seeks to ensure that competition policy and regulation rest on sound economic analysis and promote consumer welfare, particularly in dynamic, technology-driven markets such as media and telecommunications.

ICLE has written extensively about this transaction and would welcome the opportunity to provide the Commission our full issue brief.<sup>1</sup> As explained in that brief, the proposed merger promotes competition and consumer welfare under the Clayton Act and satisfies the Federal Communications Commission's public-interest standard. It likewise advances the public interest in California, consistent with the Commission's longstanding review under Cal. Pub. Util. Code § 854(a).<sup>2</sup>

At the national level, the transaction represents geographic expansion, not horizontal consolidation. The same holds in California. Charter and Cox largely serve distinct territories, while the

---

<sup>1</sup> Eric Fruits, Ben Sperry & Kristian Stout, *The Competitive Effects of the Proposed Charter/Cox Transaction*, INT'L CTR. FOR L. & ECON. (Sept. 17, 2025), <https://laweconcenter.org/resources/the-competitive-effects-of-the-proposed-charter-cox-transaction>.

<sup>2</sup> Cal. Pub. Util. Code § 854(a); see also Joint Reply of Charter Commc'ns, Inc., Charter Commc'ns Holdings, LLC, Cox Enters., Inc. & Cox Cal. Telecom, LLC (U05684-C) to Protests at 3, Joint Application of Charter Commc'ns, Inc., Charter Commc'ns Holdings, LLC & Cox Enters., Inc. for Approval Pursuant to Public Utilities Code Section 854 of the Indirect Transfer of Control of Cox California Telecom, LLC (U-5684-C) (July 30, 2025).

combination offers potential consumer benefits from economies of scale and strengthened multimodal competition.

Although Charter and Cox have approximately 25,503 overlapping locations,<sup>3</sup> that figure represents an exceedingly small share of broadband service statewide. In four California markets alone, Charter passes more than 940,000 locations, underscoring that the overlap is *de minimis* relative to the statewide footprint.<sup>4</sup> These overlap estimates also typically rely on the availability of gigabit service,<sup>5</sup> which risks overstating competitive significance by assuming uniform consumer demand for the highest-speed tiers. In reality, broadband demand is heterogeneous, and many households meet their needs at lower speed levels.<sup>6</sup>

Even within the limited overlap areas, most consumers face substantial intermodal competition. Fiber providers and rapidly expanding fixed-wireless offerings increasingly constrain cable pricing and investment decisions,<sup>7</sup> and these technologies deploy quickly. In some locations, low-earth-orbit satellite services provide an additional alternative. Taken together, these market dynamics substantially limit any plausible concern that the transaction will meaningfully reduce competition in California broadband markets.

The merger is also expected to generate significant efficiencies that benefit California consumers. Broadband deployment and network upgrades require large capital expenditures and face regulatory, construction, and demand uncertainty. These risks increase the cost of capital and can delay or deter investment. By combining operations, the merged firm can internalize efficiencies, eliminate duplicative costs, and spread fixed investments across a larger customer base, lowering operating costs and investment risk.

Those efficiencies improve the business case for accelerated upgrades to newer cable standards, enhancing service quality for existing customers and supporting expanded deployment in areas that currently lack robust broadband options or face limited cable competition from fiber or fixed-

---

<sup>3</sup> Jeff Baumgartner, *FCC Urged to Slap Permanent Bans on Data Caps, Paid Peering on Charter-Cox Deal*, LIGHTREADING (Nov. 21, 2025), <https://www.lightreading.com/cable-technology/fcc-urged-to-slap-permanent-bans-on-data-caps-paid-peering-on-charter-cox-deal>.

<sup>4</sup> Pub. Advocates Off., Cal. Pub. Utils. Comm'n, *Technical Appendices to Broadband Competition and Pricing Strategies in California's Urban Markets* (Jan. 14, 2026), <https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/260114-public-advocates-appendices-to-broadband-competition-and-pricing-strategies-paper.pdf>.

<sup>5</sup> *Id.*

<sup>6</sup> See Eric Fruits, Geoffrey A. Manne, Ben Sperry & Kristian Stout, *Dynamic Competition in Broadband Markets: A 2024 Update* INT'L CTR. FOR L. & ECON. (June 4, 2024), <https://laweconcenter.org/resources/dynamic-competition-in-broadband-markets-a-2024-update>; Geoffrey A. Manne, Kristian Stout & Ben Sperry, *A Dynamic Analysis of Broadband Competition: What Concentration Numbers Fail to Capture*, INT'L CTR. FOR L. & ECON. (June 3, 2021), <https://laweconcenter.org/resources/a-dynamic-analysis-of-broadband-competition-what-concentration-numbers-fail-to-capture>.

<sup>7</sup> Jeff Baumgartner, *FWA Subscriber Share Expands Even in Areas with Multiple Fixed Wireless Options*, LIGHTREADING (Oct. 22, 2025), <https://www.lightreading.com/fixed-wireless-access/fwa-subscriber-share-expands-even-in-areas-with-multiple-fixed-wireless-options>.

wireless providers. For California specifically, the same efficiencies make network-hardening investments more likely in wildfire-prone regions, helping maintain connectivity during and after emergency events.

The benefits extend beyond fixed broadband. The merger would allow Charter to offer competitive mobile service in Cox service areas using Spectrum Mobile and Wi-Fi offload capabilities. The combined firm would provide an additional competitor to AT&T, Verizon, and T-Mobile. Cox video subscribers would also gain access to Charter's video platform and features.

As detailed in the attached brief, the transaction serves the public interest in California. Ratepayers are unlikely to face higher prices, and the merger eliminates little, if any, direct competition. A stronger combined firm can more effectively deploy and upgrade high-speed internet infrastructure. Consumers also gain additional options for video and mobile services, which should intensify competition and place downward pressure on prices.

ICLE would welcome the opportunity to discuss the transaction's consumer effects further. We attach our issue brief, "The Competitive Effects of the Proposed Charter/Cox Transaction," for the Commission's consideration and appreciate the opportunity to comment.

Sincerely,

Jeffrey Westling  
Senior Scholar for Innovation Policy  
International Center for Law & Economics  
[jwestling@laweconcenter.org](mailto:jwestling@laweconcenter.org)