

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Bresnan)
Broadband of Utah, LLC for Informal) DOCKET NO. 13-2476-01
Adjudication of Indirect Transfer of Control) ORDER APPROVING INDIRECT
) TRANSFER OF CONTROL
)

ISSUED: May 3, 2013

By The Commission:

This matter is before the Commission on the application of Bresnan Broadband of Utah, LLC (“Bresnan” or “Applicant”) for Approval of Indirect Transfer of Control of Bresnan to Charter Communications, Inc. (“Charter”). Bresnan filed its application on February 27, 2013.¹ The application contains all the information required by Utah Admin. Code R746-349-7(A)(1).

On March 28, 2013, in response to a Commission action request, the Division of Public Utilities (the “Division”) submitted a recommendation to approve the application. The Division’s memo states: “The Division has reviewed the . . . application between Bresnan . . . and Charter . . . and believes that the transfer of control is in the public interest. As a result of the acquisition, [Bresnan and Charter] should be in a better position to provide expanded and advanced telecommunications services in the State of Utah.”

Pursuant to Utah Admin. Code R746-349-7(A)(2), the Commission issued a public notice of the application and notice of hearing on April 2, 2013, allowing for the submission of comments by any interested party regarding the application. No comments or objections were received.

¹ On March 22, 2013, and April 12, 2013, respectively, Bresnan filed a supplement and a second supplement to its application filed on February 27, 2013. These supplemental filings addressed Bresnan’s application before the Federal Communications Commission.

On April 25, 2013, the Administrative Law Judge (“ALJ”) for the Commission held a hearing, pursuant to Utah Admin. Code R746-349-7(A)(2). Thorvald A. Nelson appeared on behalf the Applicant and was joined, telephonically, by Charles Hudak and Mark Brown, on behalf of Charter, and Paul Jamieson, on behalf of Cablevision.² Justin Jetter, Assistant Utah Attorney General, appeared for the Division, and was accompanied by Ron Slusher, Utility Technical Consultant for the Division.

The ALJ took administrative notice of Mr. Nelson’s motion for *pro hac vice* admission and confirmation received from the Utah State Bar, and granted the motion orally.³ Additionally, the ALJ took administrative notice of the application, supplement to the application, second supplement to the application, and memorandum filed by the Division recommending approval. Mr. Nelson summarized Bresnan’s application and stated the public interest would be served by approving the application:

[T]he proposed transaction will combine Bresnan’s current well-run operation and deep knowledge of the local area that they serve here in Utah with Charter’s technology, marketing and pricing[,] . . . service package and Charter’s experience in managing local cable and telephone operations throughout the United States.

. . . [T]he proposed transaction will promote innovation, competition, and the penetration of new video and voice services into Utah. Charter intends to continue Cablevision’s focus on accelerating the development and deployment of product innovation and feature enhancement. Charter is also committed to a process of simplifying pricing, which together with these new

² As represented by Mr. Nelson during the hearing, “Bresnan is currently an indirect subsidiary of Cablevision Systems Corporation [“Cablevision”]. Cablevision acquired Bresnan following an acquisition that was approved by this Commission on September 2, 2010.” Transcript of Hearing at 5, lines 21-25.

³ A written order was also issued after the hearing occurred. See Order on Pro Hac Vice Admission, issued April 25, 2013.

technologies, . . . [will] enhance the overall value proposition to customers of the services that Charter is offering.

Charter has the size, the scope, the leadership, and the capital necessary to continue to promote and support Bresnan's operations in Utah. In addition, Charter . . . will experience economic marketing and operational efficiencies as a result[] of the combination with all of the Bresnan systems.

. . . Bresnan has cable and telephone systems in four states in the Rocky Mountain area; in Colorado, Utah, Wyoming, and Montana. And the combination of these two entities will allow the realization of efficiencies in a variety of areas that will make both entities stronger....

. . . [T]he outcome of the proposed combination . . . will be the continued development of introduction of advanced communication products and services that are specifically targeted to meet the customers['] need here in Utah, and specifically priced so as to be affordable and reasonable and result in greater overall customer satisfaction and more robust competition in the marketplace here in Utah.

In conclusion, the transfer of control . . . will not interrupt or degrade Bresnan['s] services in any way[,] and the financial and managerial support of Charter will further the development of . . . services in a competitive marketplace, both to [the] benefit of Charter's customers here in Utah, the communities which we serve, and our employees.

Transcript of Hearing at 7, lines 5-25; 8, lines 1-25; and 9, lines 1-3.

Mr. Slusher testified on behalf of the Division in support of the application. Mr. Slusher further testified that a transfer of control in this docket is in the public interest. No one appeared at the hearing objecting to the application.

Under Utah Admin. Code R746-349-7, "[i]f no objection to the proposed transaction is submitted in any filed comments or reply comments, the Commission will presume

DOCKET NO. 13-2476-01

- 4 -

that approval of the transaction is in the public interest and use the information contained in the application and accompanying documents as evidence to support a Commission order.” Utah Admin. Code R746-349-7(A)(3). Because there is no objection to the granting of the application, the Commission thus presumes the application for approval of indirect transfer of control is in the public interest. Moreover, the Division’s memoranda and testimony provide additional support for approval of the application.

ORDER

For the foregoing reasons, the Commission approves the indirect transfer of control of Bresnan Broadband of Utah, LLC to Charter Communications, Inc.

DATED at Salt Lake City, Utah, this 3rd day of May, 2013.

/s/ Melanie A. Reif
Administrative Law Judge

Approved and confirmed this 3rd day of May, 2013, as the Order Approving Indirect Transfer of Control issued by the Public Service Commission of Utah.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary

D#243831

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on the 3rd day of May, 2013, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Electronic-Mail:

James A. Holtkamp (jholtkamp@hollandhart.com)
Thorvald A. Nelson (tnelson@hollandhart.com)
Holland & Hart LLP

Adam Falk (afalk@cablevision.com)
Cablevision Systems Corporation

Michael R. Moore (Michael.Moore@chartercom.com)
Charter Communications, Inc.

Charles A. Hudak (chudak@fh2.com)
Friend, Hudak & Harris, LLP

Patricia Schmid (pschmid@utah.gov)
Justin Jetter (jjetter@utah.gov)
Assistant Utah Attorneys General

By Hand Delivery:

Division of Public Utilities
160 East 300 South, 4th Flr.
Salt Lake City, Utah 84111

Office of Consumer Services
160 East 300 South, 2nd Flr.
Salt Lake City, Utah 84111

Administrative Assistant