BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Joint Application of) Charter Communications, Inc.; Communications, Inc.; and Cox Enterprises, Inc. for Reaffirmation of Cox Kansas Telecom, Docket No. 26-COXT-047-MIS LLC as an Eligible Telecommunications Carrier and for Transfer of Indirect Control or) Amendment of Video Services Authorization.

NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION

COMES NOW, the Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission", respectively), and files its Report and Recommendation ("R&R") regarding Charter Communications, Inc. ("Charter"), Cox Communications, Inc. ("Cox") and Cox Enterprises, Inc. ("CEI")'s joint application filed in the above-captioned docket seeking Commission approval of two changes to the regulated operations of Cox's Kansas subsidiaries arising from a proposed transaction between Cox and Charter.

Staff has analyzed the joint application and accompanying exhibits submitted in the abovecaptioned docket and ultimately recommends that the Commission take no action with regard to the joint application at this time but rather treat the joint application as a notice to the Commission of a change of control.

WHEREFORE, Staff submits its Report and Recommendation for Commission review and consideration and or such other relief as the Commission deems just and reasonable.

> Respectfully submitted, Is Madisen K. Hane

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Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Andrew J. French, Chairperson

Dwight D. Keen, Commissioner Annie Kuether, Commissioner

FROM: Hemant Bhagat, Senior Telecommunications Analyst

Steve Garrett, Deputy Chief of Telecommunications

Janet Buchanan, Deputy Director of Utilities

Justin Grady, Director of Utilities

DATE: November 6, 2025

SUBJECT: Docket No: 26-COXT-047-MIS

In the Matter of the Joint Application of Charter Communications, Inc; Cox Communications, Inc.; and Cox Enterprises, Inc. for Reaffirmation of Cox Kansas Telcom, LLC as an Eligible Telecommunications Carrier and for Transfer of

Indirect Control or Amendment of Video Services Authorization.

EXECUTIVE SUMMARY:

On August 6, 2025, Charter Communications, Inc. (Charter), Cox Communications, Inc. (Cox), and Cox Enterprises, Inc. (CEI) filed with the Kansas Corporation Commission (Commission) a Joint Application seeking Commission approval of the following two requests pertaining to the regulated operations of Cox's Kansas subsidiaries, arising from a proposed transaction between Cox and Charter:

- (1) that the Commission reaffirm the Eligible Telecommunications Carrier (ETC) designation held by Cox Kansas Telecom, LLC d/b/a Cox Communications (Cox Telecom) following the change in ultimate control and ownership of Cox Telecom from CEI to Charter; and
- (2) that the Commission approve the indirect transfer of control of the certificate of Video Services Authorization (VSA) held by Cox Communications Kansas, LLC (Cox Kansas) from CEI to Charter.¹

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¹ Application, ¶ 1.

BACKGROUND:

A. Parties to the Transaction:

Charter, a Delaware corporation headquartered in Stamford, Connecticut, is a broadband connectivity company and a cable operator serving 31.2 million customers in 41 states. On February 3, 2004, the Commission issued an order in Docket No. 04-TWRT-224-COC authorizing Time Warner Cable Information Services (Kansas), LLC (Time Warner), a wholly owned subsidiary of Charter, to operate as a Competitive Local Exchange Carrier (CLEC) in Kansas. Time Warner has Video Service Authorization certificates in 25 service areas in Kansas approved by the Commission in Docket No. 13-TWMC-206-VSA. Additionally, on June 4, 2013, the Commission issued an order in Docket No. 13-TWBC-603-COC authorizing Time Warner Cable Business, LLC to provide competitive interexchange access (IXC) in Kansas. Charter, through its subsidiaries, currently serves approximately 100,000 customers in Kansas.²

Cox, a privately held Delaware corporation headquartered in Atlanta, operates in 35 states providing broadband, video, voice, wireless services, as well as managed services to approximately 6.3 million residential and business customers.³ Cox is authorized to provide CLEC and IXC services in Kansas.⁴

B. Proposed Transaction:

On May 16, 2025, CEI, Charter, and Charter Communications Holdings, LLC entered into the Transaction Agreement, which will combine the Charter and Cox companies under common ownership. The agreement entails Charter indirectly acquiring the subsidiaries that operate Cox's Kansas licenses. As consideration for the transaction, CEI will receive a combination of equity in Charter Communications Holdings and cash and the Cox Kansas licenses will be indirectly owned by Charter Communications Holdings, LLC. Charter is a publicly traded company and will continue to be so after the Transaction closes. Attached to Staff's Report and Recommendation is Exhibit B that reflects pre-closing and post-closing organizational diagrams.

Cox, directly owned by CEI, owns two indirect subsidiaries in Kansas authorized by the Commission to provide telecommunications services. They are Cox Kansas Telecom, LLC and Cox Communications Kansas, LLC. Cox Kansas Telecom provides CLEC services and Cox Communications provides IXC services in Kansas pursuant to Certificates of Convenience issued in Docket No. 00-COXT-928-COC and Docket No. 00-COXC-197-COC, respectively. Following the Transaction, the Kansas subsidiaries will continue to provide service under the same name, rates, terms, and conditions, and without any interruption of service.

K.S.A. 66-131 and 66-136 provide that a public utility cannot transact business until it has obtained a Certificate of Convenience (COC) from the Commission that the public convenience will be

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² Application, \P 5.

 $^{^{3}}$ Id., ¶ 6

⁴ Order and Certificate, Docket 00-COXT-928-COC, May 4, 2000, CLEC.; Docket No. 00-COXC-197-COC, December 17, 1999, IXC

⁵ Application, ¶ 1.

⁶ *Id*., ¶ 9.

promoted and the Commission approves the assignment or transfer of a COC. The statutes also specify what constitutes a transfer of a certificate and what Commission approvals are necessary in such instances. Specifically, K.S.A. 66-136 states:

No franchise or certificate of convenience and necessity granted to a common carrier or public utility governed by the provisions of this act shall be assigned, transferred or leased, nor shall any contract or agreement with reference to or affecting such franchise or certificate of convenience and necessity or right thereunder be valid or of any force or effect whatsoever, unless the assignment, transfer, lease, contract or agreement shall have been approved by the commission...

K.S.A. 66-1,188 grants the Commission broad power, authority and jurisdiction to supervise and control local exchange carriers in Kansas. Specifically, K.S.A. 6-1,188 states:

The commission is given full power, authority and jurisdiction to supervise and control the local exchange carriers, as defined in K.S.A. 66-1,187, and amendments thereto, doing business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority and jurisdiction. Notwithstanding the provisions of any other section, the commission shall have no jurisdiction to supervise or control telecommunications carriers or electing carriers except as provided for in subsections (y) and (z) of K.S.A. 66-2005, and amendments thereto.

ANALYSIS:

Cox subsidiaries, Cox Kansas Telecom, LLC and Cox Communications Kansas, LLC, are authorized to provide CLEC and IXC services respectively in Kansas resulting from the certificate of convenience approved by the Kansas Commission. The merger transaction between Cox and Charter involves a change in ownership and control from Cox to Charter but does not involve any change in the name of the company. The transaction does not transfer the Video Service Authorization certificate (VSA) held by Cox Kansas in 126 service areas in Kansas approved by the Commission in Docket No. 07-CXKC-621-VSA. Cox Telecom and Cox Kansas currently provide and will continue to provide CLEC and IXC service in Kansas after the merger. Commission Staff (Staff) has determined that since Cox Telecom will continue to operate under its existing name as an ETC, there is no requirement for transfer of the certificate of convenience resulting from the merger.

Cox's CLEC operations fall within the Commission's regulatory authority for certification, reporting, supervision, and certain service obligations. To the extent the pending Application requests the Commission approve the multi-state merger of Cox and Charter, the Commission is not authorized to make such an approval pursuant to the Commission's limited jurisdiction over CLECs and IXCs pursuant to K.S.A. 66-1,188. The Commission may monitor the merger's impact

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⁷ Order and Certificate, Docket 00-COXT-928-COC, May 4, 2000, CLEC.; Docket No. 00-COXC-197-COC, December 17, 1999, IXC.

on Kansas consumers and may participate in the process by submitting comments or concerns to federal regulators if the merger affects Kansas consumers or infrastructure.

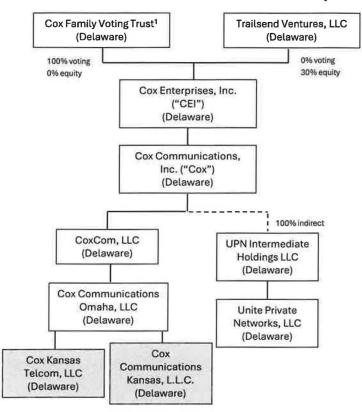
RECOMMENDATION

Staff recommend that no action be taken by the Commission at this time because the transaction does not affect the existing certificates, VSA or ETC designation. Staff considers the Joint Application of Cox, CEI, and Charter in this docket as a notice of the change of control. Therefore, Staff recommends this docket be closed.

EXHIBIT B

Pre- and Post- Closing Ownership Structure

Cox Pre-Transaction Ownership

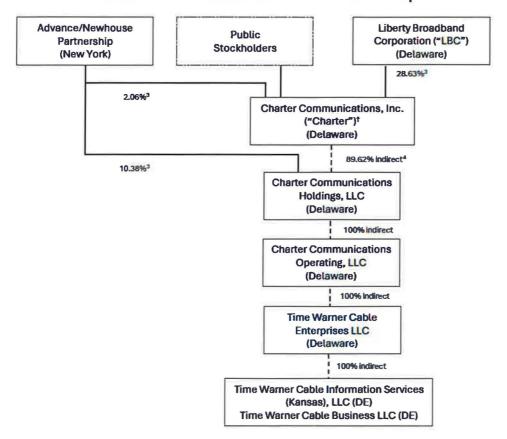


Notes

¹ The Cox Family Voting Trust, which controls 100% of the voting stock of CEI, is controlled by three trustees: Sanford H. Schwartz, James C. Kennedy, and Alex C. Taylor, each of whom is a U.S. citizen.

^{*} All ownership figures, in this and subsequent charts, are 100% except where otherwise noted.

Charter Pre-Transaction Ownership



Notes

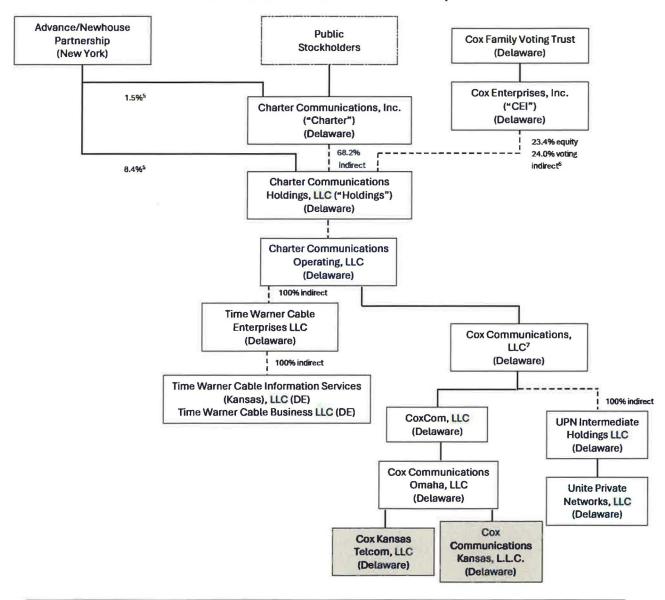
² As of June 27, 2025, LBC holds approximately 28.63% of the outstanding shares of Charter's Class A common stock. Pursuant to agreement, LBC must vote and exercise rights to consent with respect to voting securities held in excess of 25.01% in the same proportion as all other votes cast by stockholders other than Advance/Newhouse Partnership and LBC on all matters other than certain excluded matters, giving it an effective voting power of 25.01%. In addition, as of January 31, 2025, John C. Malone beneficially owns shares representing the power to direct approximately 49% of the aggregate voting power in LBC. All LBC estimates are based on LBC's proxy statement disclosures.

³Advance/Newhouse Partnership, as of June 27, 2025, holds a minority interest in Charter Communications Holdings, LLC convertible to approximately 10.38% in Charter, as well as a direct common stock interest in Charter of approximately 2.06%, which is, in the aggregate, equivalent on an as-exchanged basis to a 12.44% interest in Charter. A/NPC Holdings LLC, a Delaware LLC, holds a 99% direct interest in Advance/Newhouse Partnership. Newhouse Cable Holdings LLC, a New York limited liability company, holds a 61.24% direct interest in A/NPC Holdings LLC. Newhouse Broadcasting Corporation, a New York corporation, holds a 100% direct interest in Newhouse Cable Holdings LLC.

⁴As of June 27, 2025.

Additional Charter entities operate in this state which are not subject to this transfer of control application.

Post-Transaction Ownership



Notes

⁵ Advance/Newhouse Partnership (*A/N Partnership") owns approximately 3.1 million shares of Charter Class A common stock and one share of Charter Class B common stock, which is equivalent, economically, to the outstanding Charter Class A common stock but has a number of votes per share that reflect the voting power of the Holdings common units held by A/N Partnership on an as-exchanged basis. Including both these shares of Charter Class A common stock and A/N Partnership's 8.4% interest in Holdings, and based on Charter's diluted shares outstanding as of March 31, 2025, A/N Partnership will own an approximate 9.9% equity interest in Charter, on an as-exchanged and as-converted basis.

⁶ Based on Charter's diluted shares outstanding as of March 31, 2025, CEI will indirectly hold common and convertible preferred units in Holdings representing an approximately 23.4% equity interest and 24.0% voting interest in Charter. Charter also will issue to CEI one share of a new Class C common stock of Charter that will have a number of Charter stockholder votes equal to the voting power of the Holdings common and convertible preferred units on an as-converted, as-exchanged basis.

⁷Formerly Cox Communications, Inc.

CERTIFICATE OF SERVICE

26-COXT-047-MIS

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Report and Recommendation was served via electronic service this 6th day of November, 2025, to the following:

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CERTIFICATE OF SERVICE

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