



October 29, 2014

The Honorable Audrey Zibelman
Chair, New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12253-1350

Dear Chairperson Zibelman:

The Public Service Commission (PSC) has a unique opportunity to bridge the digital divide by delivering universal broadband as a necessary condition to any potential merger between Comcast and Time Warner Cable (TWC). We believe the requirements discussed herein to be in the public interest of New York. In a merger valued at over \$45 billion, Comcast seeks to acquire Time Warner Cable's phone, broadband internet, cable and media assets that would reach 2.5 million customers in New York State. As you are aware, this merger would make the new Comcast the largest cable, broadband, and media content provider in New York.

Consequently, we ask that the Public Service Commission ensure that the proposed transaction promotes the public interest as mandated by statute. Access to reliable, high speed, and affordable internet is not a luxury but a necessity in the 21st century. As New York City's information and technology industry gains strength in research, development, and applications, it is imperative that our companies and research institutions can compete globally. For a nation that developed the internet, America ranks 14th in terms of fastest Internet connection speed and the World Economic Forum ranked the United States 35th out of 148 countries in Internet bandwidth. Our cable and Internet companies must invest more in the deployment of broadband. Due in part to anemic infrastructure investment, nearly one third of New York City families do not have access to broadband. We must do better.

The proposed merger would give Comcast overwhelming market power in the areas of access, content, and pricing to customers in New York. Comcast would have *de facto* monopolistic control. As such, a merger that does not guarantee universal broadband, consumer protections, and robust infrastructure commitments would not be in the "public interest". After consultations with the business community, advocates, and academics we propose a series of recommendations that if mandated by the Public Service Commission would truly benefit communities and businesses across New York.

Universal Broadband to Bridge the Digital Divide

We ask that Comcast guarantee that they will expand broadband to and provide free access, training, and equipment to their broadband services for:

- All public housing residents of the New York City Housing Authority, and establish training and access centers for every housing complex within the merged entity's service area;
- All senior, youth, and community centers, and public parks. As well all homeless shelters, domestic violence shelters (with anonymous browsing capability), congregate care facilities, supportive housing facilities, mental health group homes; and
- Establish free Wi-Fi service in all New York City Public Parks.

This build-out must be done in a timely manner. We seek to protect the City's most vulnerable groups as well as making sure all New Yorkers have fair access to Comcast's broadband services.

Maintain and Expand Access to Affordable and Quality Broadband Services

We ask that Comcast preserve and expand their affordable broadband programs to increase access to individuals, families, and businesses by:

- Expanding their "Internet Essentials" program to include family and individual recipients of income-qualifying federal, state and city subsidies. The program should have inclusive means testing that will give access to more individuals and families. This means including those individuals that already qualify for the FCC's Lifeline program while removing existing loopholes that deny services. The quality of these services must, at a minimum, be equal in speed, and picture and service quality to those customers receiving Time Warner Cable's "Everyday Low Price" internet services;
- Expanding Time Warner Cable's "Everyday Low Price" Internet tier, which currently provides 2 Mbps download speed and 1 Mbps upload speeds for \$14.99 per month, to at least 5 Mbps and 1 Mbps upload speeds for \$9.95/month. Minimum download and upload speeds should be pegged to the highest speeds available. This is similar to the "New York Essentials" program proposed by the PSC staff but at a lower price;
- Providing business Internet service equivalent to the "New York Essentials" plan in speed and reliability, at a discounted price, as well as up to 10 technology/small business incubator buildings per borough, as the City may select from time to time; and
- Removing connection fees in areas that do not have existing cable services.

Improvements in Infrastructure, Jobs, Transparency, and Customer Service

As a \$45 billion company with substantial profit margins, the future Comcast/TWC must commit to rapid infrastructure investment. Comcast must enhance services, and we ask that Comcast take the following measures to ensure that New Yorkers are provided with effective and reliable cable services:

- Upgrade New York City's Hybrid Fiber-Coax plant in the merged entity's service areas to be provide at least gigabit network speeds, thus establishing New York City as a global leader in broadband access;
- Guarantee from Comcast to an Open Internet and operate under Net Neutrality standards indefinitely;

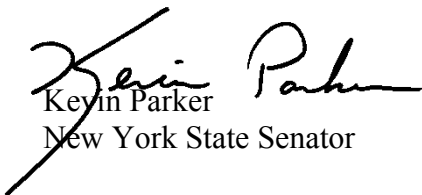
- Increase transparency around interconnect transmission data to ensure compliance with Net Neutrality standards; Provide meaningful reductions in long wait times and narrow service windows by hiring more customer service staff in New York;
- Establish infrastructure development training fund to train New Yorkers for broadband/information technology construction and operations jobs;
- Prohibit coercive upselling of additional services during customer service calls;
- Add at least one additional customer service center in each borough and the establishment of a Comcast call center in New York state;
- Establish a service quality plan that has objective metrics that must be met or a penalty would be paid to customers. This is akin to the Verizon Performance Improvement Plan which mandates such minimum performance requirements;
- Increase transparency surrounding pricing increases and service changes; and
- Commitment to substantial reductions in number of customer complaints as measured by the PSC.

These provisions are meaningless unless there are tough enforcement provisions that hold Comcast accountable. We ask that the Public Service Commission join the expanding coalition of businesses, advocates, and elected officials whose aim is to ensure this that merger will be fair and beneficial to all New Yorkers. We request you adopt these considerations and present them to Comcast during your negotiations.

Sincerely,



 Letitia James
 New York City Public Advocate

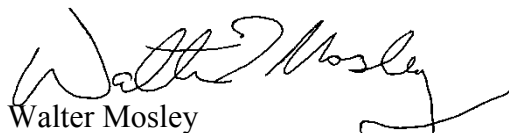

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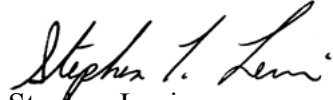

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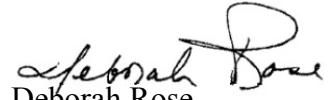

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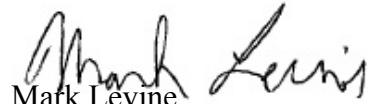
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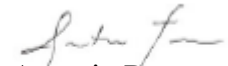
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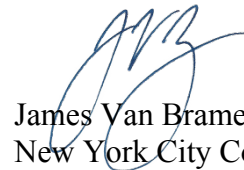
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