May 7, 2020

VIA EMAIL and U.S. MAIL

Mr. Felipe Monroig
Senior Director, State Government Affairs – West Region
Spectrum Pacific West, LLC, dba Charter Communications
7142 Chapman Avenue
Garden Grove, CA 92841

Re: Spectrum State Franchise Obligations

Dear Mr. Monroig:

The City of San Diego (City) received notice that Spectrum Pacific West, LLC, dba Charter Communications (Spectrum) received a state franchise for the provision of video services in the City. Spectrum previously operated under the terms of its local franchise agreement with the City. This letter serves as notice to Spectrum of its continuing obligations to the City under the provisions of the Digital Video Infrastructure and Competition Act (DIVCA) (as codified in the California Public Utilities Code, Section 5800 et seq.) and under other applicable provisions of federal, state and local law.

In accordance with DIVCA and as described in Section 73.0202 (and related provisions) of the San Diego Municipal Code, Spectrum will pay the City a Franchise Fee of 5% of gross revenues and an additional PEG Support Fee of 1% of gross revenues. Spectrum will also be obligated to comply with the audit and customer service standards described in Section 73 of the San Diego Municipal Code.

Additionally, as provided for in DIVCA, this letter serves as notice that Spectrum must designate a sufficient amount of capacity on its network to allow for the provision of the City's three (3) current public, educational, and governmental access (PEG) channels. The PEG channels should not be separated numerically from other channels carried on the basic service tier and the channel numbers for the PEG channels shall be the same channel numbers that Spectrum used prior to transitioning to a state franchise.

Finally, on April 28, 2020, the City was informed by Spectrum that the Community (Public) Access channel would go dark on April 30, 2020 for an unknown amount of time while a circuit is built for transmission. Additionally, Spectrum was not able to provide a reasonable explanation as to why the interconnect that is currently providing the signal would be taken down during this transition. The City encourages Spectrum to work as quickly as possible to get the Community Access channel up and running. Our community producers care very deeply about their programs and will not be pleased by this decision. As always, the City is here to work with Spectrum to move through this transition as quickly and smoothly as possible.

Please feel free to contact me with any questions.

Sincerely,

Rick Bollinger, Cable Administrator

cc (via email):
Del Heintz, Senior, Government Affairs, Spectrum
Gustavo Duarte, Major Account Manager Gov/Ed., Spectrum
Jeff Sturak, Assistant Chief Operating Officer, City of San Diego
Johathan Behenke, Director, Department of Information Technology, City of San Diego
Steven Lastomirsky, Deputy City Attorney, City of San Diego
Adrian Granda, Public Policy Manager, Office of the Mayor

(O-2007-118) 2/14

ORDINANCE NUMBER O-19719 (NEW SERIES)

DATE OF FINAL PASSAGE FEB 26 2008

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING CHAPTER 7, ARTICLE 3, OF THE SAN DIEGO MUNICIPAL CODE BY CREATING A NEW DIVISION 2 TITLED "VIDEO SERVICE PROVIDER FEES AND CUSTOMER SERVICE REGULATIONS FOR STATE FRANCHISED VIDEO SERVICE PROVIDERS."

WHEREAS, effective January 1, 2007, pursuant to the Digital Infrastructure and Video Competition Act of 2006 ("Act"), the California Public Utilities Commission has the authority to grant state franchises for the provision of video service including cable television service and open-video systems; and

WHEREAS, pursuant to the Act, the City of San Diego shall have the right to receive a state franchise fee as compensation for the use of the public rights-of-way for the provision of video services; and

WHEREAS, pursuant to the Act, local entities may, by ordinance, establish a fee for the support of public, educational, and government access ("PEG") channel facilities; and

WHEREAS, the Act provides that the City may examine the business records of a state video franchise holder to the extent reasonably necessary to ensure accurate payment of compensation; and

WHEREAS, the Act provides that the City is to enforce all customer service and protection standards applicable under law with respect to complaints received from residents within the City's jurisdiction; and

(e) *"PEG Support Fee"* means the fee paid to the City pursuant to Section 73.0202(b).

(f) *"State Franchisee"* means the holder of a California state franchise for the provision of video services as provided for under Section 5800 et seq. of the California Public Utilities Code.

§ 73.0202 State Video Franchise Fees

(a) Each *State Franchisee* that operates within the jurisdictional boundaries of the City of San Diego shall pay to the City, in accordance with the schedule described in Section 73.0202(c), below, a fee equal to five percent (5%) of its *Gross Revenues* ("*Franchise Fee*").

(b) Each *State Franchisee* that operates within the jurisdictional boundaries of the City will pay to the City, in accordance with the schedule described in Section 73.0202(c), below, a fee equal to one percent (1%) of the *State Franchisee's Gross Revenues* ("*PEG Support Fee*"). The City shall use the *PEG Support Fee* in a manner consistent with state and federal law.

(c) The *Franchise Fee* and *PEG Support Fee* shall be paid to the City on a quarterly basis within 45 days after the end of each quarter for that calendar year. Each payment shall be accompanied by a detailed summary explaining the basis for the calculation of the *Franchise Fee* and *PEG Support Fee*. Payments shall be sent to the Office of the City Treasurer.

(d) A late payment charge equal to the highest prime lending rate during the period of delinquency plus one percent (1%) will be applied to any

technologies while meeting or exceeding the goals of the standards in relation to customer protection.

(c) The City will provide any state franchised video provider written notice of any material breaches of applicable customer service standards and allow the *State Franchisee* thirty (30) days from receipt of the notice to remedy the specified material breach. The City may assess the following monetary penalties for any material breach of customer service and consumer protection standards not remedied within the thirty (30) day time period:

(1) Up to Five hundred dollars ($500) for each day of each material breach, not to exceed a total of one thousand five hundred dollars ($1,500) for each occurrence of a material breach.

(2) If a subsequent material breach of the same nature occurs within 12 months following previous notice and any assessment of penalties or fines, a fine of up to one thousand dollars ($1,000) shall be imposed for each day of the material breach stays in effect, not to exceed three thousand dollars ($3,000) for each occurrence of the material breach.

(3) If a third or further material breach of the same nature occurs within the same 12 months following previous notice and any assessment of penalties or fines, a fine of up to two thousand five hundred dollars ($2,500) shall be imposed for each day of each

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By _____
Steven Lastomirsky
Deputy City Attorney

SL:sc
05/04/07
10/10/07 REV.
Or.Dept.: CIO
O-2007-118

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of FEB 1 9 2008 .

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: 2·26·08
(date)

_____
JERRY SANDERS, Mayor

Vetoed: _____
(date)

_____
JERRY SANDERS, Mayor

STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue San Francisco, CA 94102
www.cpuc.ca.gov

April 22, 2020

Mr. Rick Bollinger
Fiber and Cable Network Administrator
City of San Diego
1010 Second Ave., Suite 500E
San Diego, CA 92101

Dear Mr. Bollinger:

As you know, Charter Communications filed an amended Application for a state video franchise with the Commission on February 25, 2020. On April 9, 2020 the Commission's Executive Director deemed the Application complete, and issued a California Video Franchise Certificate to Charter Communications. As your community is an affected local entity, we wanted to be sure to provide you notice of this determination within the 30-day period specified in Section 5840(h) of the Public Utility Code.

Charter Communications' amended Application, as well as the Commission's April 9, 2020 notification of completeness and the Franchise Certificate itself, can be found on the Video Franchise page of the Commission's web site at: www.cpuc.ca.gov.

Your local entity should be taking certain actions under the state video franchising statute (AB2987 or DIVCA), such as adopting customer service standards. In addition, you should notify the new franchisee regarding your franchise fee, and if you wish carriage of PEG channels. These are just examples. There may be other steps that you wish to take as well under the provisions of DIVCA. In this regard, you may find the information on SCAN-NATOA's web site useful (http://www.scannatoa.org/info_docs.html). Also, feel free to call me if you have any questions.

Yours truly,

Michael Morris

Michael Morris
Video Franchising and Broadband Deployment
415.703.2112
mmo@cpuc.ca.gov

STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue San Francisco, CA 94102
www.cpuc.ca.gov

CALIFORNIA VIDEO FRANCHISE CERTIFICATE[1]
FRANCHISE NUMBER: 0020

1) Franchise Holder:

Name: Spectrum Pacific West, LLC* dba Charter Communications

Address: 12405 Powerscourt Drive
St. Louis, Missouri 63131

2) Application Date: October 2, 2017

3) Franchise Effective Date: January 2, 2018

4) Franchise Expiration Date: January 2, 2028

5) Affected Local Entities[2] Attached

Issued at San Francisco this 27th Day of October, 2017.

Alice Stebbins
Executive Director

[1] This Certificate constitutes a grant of authority to provide video service in the service area footprint requested in the Application referenced herein, including but not limited to authority to use the public rights-of-way in exchange for the franchise fee adopted in CAL. PUB. UTIL. CODE §. 5840(q), subject to the laws of this state. This grant of authority is subject to lawful operation of the cable service or video service by the applicant or its successor in interest.

[2] The state video franchise granted herein may include all or part of the affected local entities' territory. For more information on the video service area covered by this franchise, contact the California Public Utilities Commission.

* Reflects a name change from Time Warner Cable Pacific West, LLC as of September 19, 2018.

STATE OF CALIFORNIA

Gavin Newsom, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

April 9, 2020

Ms. Lisa Ludovici
Director, Government Affairs
Charter Communications
270 Bridge Street
San Luis Obispo, CA 93401

Dear Ms. Ludovici:

The Commission has determined that your fifteenth application for an amended state video franchise, submitted by Charter Communications on February 25, 2020, is complete. Accordingly, the Commission hereby issues the enclosed amended state video franchise, effective today.

Should you have any questions, please contact Michael Pierce at 415.703.2618.

Sincerely,

Alice Stebbins

Alice Stebbins
Executive Director

STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue San Francisco, CA 94102
www.cpuc.ca.gov

CALIFORNIA VIDEO FRANCHISE CERTIFICATE
FRANCHISE NUMBER: 0020

Affected Local Entities for Franchise No. 0020, as amended by the grant on April 9, 2020 of Spectrum Pacific West, LLC, dba Charter Communications' fifteenth application for an amended franchise footprint, No. V2002001:

San Diego