BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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 Telcom, LLC (U-5684-C).	**Application 25-07-016** (Filed July 30, 2025)

REPLY COMMENTS OF THE NATIONAL INSTITUTE FOR WORKERS' RIGHTS ON THE JOINT MOTION OF CHARTER AND PUBLIC ADVOCATES OFFICE FOR ADOPTION OF SETTLEMENT AGREEMENT AND JOINT MOTION OF CHARTER COMMUNICATIONS, INC. AND CALIFORNIA EMERGING TECHNOLOGY FUND FOR ADOPTION OF SETTLEMENT AGREEMENT

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I. INTRODUCTION

The National Institute for Workers' Rights ("NIWR") files these comments pursuant to Rule 12.2 of the Commission's Rules of Practice and Procedure. NIWR does not oppose the proposed Transfer and supports both settlements with appropriate conditions. NIWR appears, however, because the settlements leave a critical dimension of the public interest unaddressed: the equal opportunity interests of the thousands of California workers employed by Charter and Cox. The Cal Advocates settlement addresses the Commission's Environmental and Social Justice ("ESJ") Action Plan commitments on the consumer side. The CETF settlement addresses the economic inclusion interests of California's diverse business community, but it does not adequately address ESJ on the workforce side. That gap is within the Commission's authority to fill, and the Commission should fill it.

NIWR asks the Commission to condition its approval of the Transfer on workforce equity conditions that include requiring Charter to maintain organizational infrastructure for equal opportunity compliance, reporting disaggregated compensation and promotion data for its California workforce, and implementing pay equity audits with remediation. These conditions are constructive, implementable, and grounded directly in the Commission's statutory obligations under Public Utilities Code Section 854 and in the Commission's own ESJ Action Plan. They are also consistent with the Commission's position in the Verizon-Frontier merger.

Procedural posture. NIWR filed its Motion for Party Status on May 20, 2026. The Joint Applicants filed their opposition on May 26, 2026, objecting primarily on procedural grounds. On June 4, 2026, Administrative Law Judge Jamie Ormond granted NIWR's Motion for Party Status by Email Ruling. The opening comment deadline in this proceeding was June 1, 2026—three days before NIWR was formally admitted as a party. Therefore, these comments are filed as reply comments pursuant to Rule 12.2. Rule 12.2 is, at a minimum, ambiguous about whether non-settling parties may file reply comments, but NIWR could not have filed opening comments before June 1 because it had not yet been granted party status.

The Joint Applicants have already had an opportunity to respond to the positions NIWR set out in its motion for party status, which contained NIWR's position and are echoed here. NIWR's position is also to a large extent supporting and amplifying that of other parties who also criticize the settlement agreements for their lack of workforce equity commitments.[1] To the extent the Joint Applicants seek to respond to these comments further in their reply comments, they will

[1] See TURN Opening Comments, at 26 (citing TURN Opening Brief's recommendation that the CPUC adopt similar conditions to that in Verizon-Frontier, at 36); CforAT Opening Comments at 18 ("Charter has accepted demands from the FCC to take steps that will result in the discriminatory treatment of diverse employees, contractors, and communities to obtain FCC approval of the proposed transaction.").

have the opportunity to do so before the June 16, 2026 deadline, and NIWR does not object if they need additional time to do so.

II. LEGAL STANDARD: WORKFORCE EQUITY IS PART OF THE "PUBLIC INTEREST"

The Commission's ESJ Action Plan identifies "eliminating barriers to opportunity" as an important component of advancing environmental and social justice.[2] The proposed settlement with Cal Advocates addresses important aspects of opportunity through its affordability and broadband access commitments. The proposed settlement with CETF addresses equitable procurement. But neither addresses the issue of workforce opportunity. That is not a criticism of what was negotiated. But the Commission's Section 854 authority is not so limited.

Under Section 854(c)(4), in considering whether the merger "is in the public interest," the Commission must consider whether the proposed transaction is "fair and reasonable to affected public utility employees, including both union and nonunion employees." Under Section 854(c)(6), it must also assess the effect on "communities in the area served," including minority and low-income communities—a category that encompasses existing and prospective workers, not only broadband subscribers. The settlement recitals themselves acknowledge that the goal was to reach an agreement on behalf of "California consumers, employees of the Joint Applicants, and the communities that each company serves."[3]

The Commission has authority to impose conditions on the Transfer beyond what the settlements address. And Charter expressly accepted that the settlements are contingent on its compliance with any conditions the Commission imposes. The Commission should exercise that authority here.

[2] ESJ Action Plan 2.0, at 8.

[3] See *Cal Advocates Settlement*, Recitals ("[t]he Settling Parties participated in discovery, submitted various rounds of testimony over many months and undertook good-faith negotiations to reach a mutually beneficial settlement on behalf of California consumers, employees of the Joint Applicants, and the communities that each company serves in the state") (emphasis added).

III. DISCUSSION: THE COMMISSION SHOULD IMPOSE WORKFORCE EQUITY CONDITIONS

A. Charter Has Dismantled Its Equal-Opportunity Infrastructure at the Moment California's Workers Most Need It

Charter and Cox together employ thousands of workers in California, including in communities with high concentrations of Latino workers who are the backbone of Charter's California workforce.[4] These workers are protected by the California Fair Employment and Housing Act ("FEHA") and the California Equal Pay Act—laws that impose obligations on employers that go beyond federal requirements.[5] Whether Charter can meet those obligations depends, in significant part, on whether it maintains the organizational infrastructure to do so.

Charter once maintained that infrastructure. It had a Chief Diversity Officer with genuine organizational authority and public-facing commitments to equal opportunity that extended into its hiring and promotion practices. That infrastructure has been systematically dismantled. The Chief Diversity Officer role has been eliminated. Charter's DEI-facing webpages have been replaced with generic content. Most tellingly, Charter and Cox's Public Interest Statement filed with the FCC in July 2025—the document in which they made their affirmative case for why this merger serves the public—does not mention diversity, equity, or inclusion once. Nor does it mention equal opportunity.[6]

This dismantling matters: research consistently documents that a passive organizational approach is insufficient to prevent employment discrimination. Decades of controlled audit studies confirm that Latino and Black applicants receive significantly fewer callbacks than white applicants with identical resumes—a gap that has not narrowed over 25 years.[7] Women's performance reviews are disproportionately laden with negative personality-based language that

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[4] See Charter Communications and Cox Enterprises, Inc., Workforce Restructuring Announcement (2026) (announcing elimination of more than 1,200 positions, including 452 in Ontario, California). Charter's layoffs in Ontario and other California locations fall disproportionately in communities with high concentrations of Latino and other workers of color.

[5] Cal. Gov't Code §§ 12900–12999.8. The FEHA prohibits employment discrimination on the basis of race, national origin, sex, gender, and other protected characteristics, and imposes broader obligations on employers than Title VII of the Civil Rights Act of 1964. *See also* Cal. Lab. Code § 1197.5 (California Equal Pay Act).

[6] Joint Application, Public Interest Statement, FCC WC Docket No. 25-233 (filed July 14, 2025).

[7] Quillian et al., "Meta-analysis of field experiments shows no change in racial discrimination in hiring over time," 114 *Proc. Nat'l Acad. Sci.* 10870 (2017).

suppresses their promotion outcomes.[8] Closing these gaps requires active, organizational measures —the kind of measures Charter has eliminated.[9]

Research shows that dedicated equal-opportunity staff—the people responsible for pay equity audits, fair hiring processes, and bias review in performance evaluations—affect these outcomes.[10] When Charter eliminates or sidelines this infrastructure, it reduces its organizational capacity to catch and correct illegal discrimination. Put differently, without conditions, the Commission cannot have confidence that the Section 854(c)(4) criterion of fairness to employees is met, particularly when *as part of the proposed merger, Charter has removed the very people responsible for ensuring fairness in the workforce.*[11]

The Commission's role in this proceeding is to determine whether the Transfer serves the public interest as required by Section 854. A finding that a transaction will be "fair" to employees cannot be made about a company that has stripped away the mechanisms most likely to prevent discriminatory employment decisions.

The Ontario layoffs and ESJ communities. Charter's recent elimination of 452 positions in Ontario, California—and additional layoffs in other California locations—disproportionately affected workers of color in ESJ communities that Charter continues to serve. Ontario meets the definition of an ESJ community on several grounds: 70% Latino, below 80% of median income, and a top-quartile CalEnviroScreen score due to warehouse-driven diesel pollution. On the current record, it is difficult to have confidence that this merger would advance—and not set back—Goal 7 of the ESJ Action Plan that the Commission would seek to "[p]romote high road career paths and economic opportunity for residents of ESJ communities" and that the Commission would "maximize authority" to achieve that goal.[12]

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[8] Studies find that 66% of women's performance reviews contained at least one negative personality criticism, while only 1% of men's reviews did. Stanford Graduate School of Business, "The Language of Gender Bias in Performance Reviews"; Harvard Kennedy School Women and Public Policy Program, "The Role of Gender and Race in Performance Appraisals."

[9] This conclusion is also supported by the testimony of CforAT's Paul Goodman at the evidentiary hearing. See, e.g., Exh. 81 (Rebuttal Testimony of Paul Goodman) at 7-8, 16.

[10] National Institute for Workers' Rights, *Making Equal Opportunity Real: How Diversity, Equity, and Inclusion Efforts Combat Employment Discrimination* (April 2025), at 8.

[11] Letter from Charter Communications General Counsel Jamal Haughton to FCC Chair Brendan Carr, February 26, 2026 ("Charter's former Chief Diversity Officer no longer advances diversity and inclusion priorities…") ("FCC Letter").

[12] See Objective 7.1, ESJ Action Plan 2.0.

The CETF settlement's workforce provisions are insufficient. NIWR acknowledges the Charter/CETF Settlement's supplier diversity provisions, but these address only a narrow slice of the workforce equity problem. The settlement's DEI commitments are limited to: (1) requiring Charter to send a senior-level executive to the Commission's annual Supplier Diversity En Banc hearings, and (2) requiring Charter to comply with state law regarding supplier diversity reporting.[13] Neither constitutes a merger-specific benefit: attendance at the En Banc does not bind Charter to any action, and compliance with existing law is an existing obligation, not a merger benefit. The settlement also references "employee diversity metrics" reporting as required by existing law—but as NIWR noted in its motion for party status, that reference is insufficient because it does not include compensation and promotion data.[14]

B. Charter Appears to Have Abandoned the Workforce Equity Commitments It Made in Its 2016 CPUC-Approved Merger

This is not Charter's first appearance before this Commission seeking approval of a major acquisition. In 2016, the Commission unanimously approved Charter's acquisition of Time Warner Cable and Bright House Networks. A central element of that approval was a robust set of diversity, equity, and inclusion commitments that Charter undertook as part of the transaction.

Specifically, as conditions of the 2016 merger, Charter committed to: appointing three minority members to its Board of Directors within two years—one African American, one of Asian or Pacific Island descent, and one Hispanic American; appointing a Chief Diversity Officer to advance diversity and inclusion priorities across the enterprise; expanding diversity and inclusion practices in the specific areas of corporate governance, employment and workforce recruitment, procurement, programming, and philanthropy and community investment; and building upon the existing diversity efforts of the three combined companies.

These were not aspirational statements. They were negotiated commitments that the Commission accepted as part of the public interest showing for that merger. Charter represented to this Commission and to the public that these commitments were achievable, important, and integral to its corporate values.

Charter appears to have now repudiated many, if not most, of them in order to get *this* merger approved at the federal level. The Chief Diversity Officer role has been eliminated. The External Diversity Council and Executive Steering Committee have been disbanded. Workforce diversity targets have been abandoned. Recruitment and retention programs focused on

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[13] Charter/CETF Settlement at pp. 12-13.

[14] Though the settlement agreement with CETF includes a reference to reporting "employee diversity metrics" as required by existing law on p. 13 of the Agreement, this is insufficient as it does not include compensation and promotion data.

underrepresented groups have been terminated.[15] Charter's failure to publicly release its consolidated EEO-1 workforce data has made it impossible for the Commission and the public to independently verify whether Charter was even honoring its 2016 commitments before formally abandoning them.[16]

The Commission should take this history seriously. Charter made commitments in exchange for merger approval, honored them for a period, and then appears to have abandoned them when the political climate shifted. If the Commission approves the Charter-Cox merger without robust and enforceable conditions, there is no assurance that Charter will honor those conditions either. Any workforce equity conditions imposed in this proceeding must include clear reporting obligations, Commission oversight, and enforcement mechanisms sufficient to deter non-compliance.

C. The Verizon-Frontier Decision Establishes the Standard Against Which This Merger Must Be Measured

Earlier this year, the Commission issued Decision 26-01-023 approving Verizon's acquisition of Frontier Communications. The conditions the Commission imposed in that proceeding—which Verizon accepted even while, like Charter, modifying its DEI practices in response to the federal regulatory climate—provide the directly applicable benchmark for what the public interest requires here.

Charter should be held to at least the same standard. The Commission should not approve a transaction that leaves Charter's California workers worse off than they would be under the standard established in Verizon-Frontier.

The workforce equity conditions proposed below are consistent with—and in many respects required by—current federal and California law. They do not mandate preferential treatment in hiring, promotion, or compensation. They require efforts to reduce barriers to participation, data collection, monitoring, and remediation of demonstrated disparities—activities that courts have long upheld and that existing California law already compels in significant part. Federal executive orders or other agency guidance targeting "illegal DEI" do not change California

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[15] FCC Letter, supra, at 2 ("Charter does not maintain workforce diversity targets or utilize recruitment or retention programs focused on particular demographic groups…Charter's former Chief Diversity Officer no longer advances diversity and inclusion priorities…The company ended its External Diversity Council and Executive Steering Committee.")

[16] As You Sow, Charter Communications Inc.: Greater Disclosure of Material Corporate Diversity, Equity, and Inclusion Data (2022) (noting that Charter had not committed to release consolidated EEO-1 data, while 94% of S&P 100 companies had done so).

law, which allows private employers to conduct pay equity audits, establish recruitment pipelines, maintain compliance officer infrastructure, and collect workforce demographic data.[17]

IV. SPECIFIC CONDITIONS REQUESTED

NIWR asks the Commission to condition its approval of the Transfer on the following workforce equity conditions:

Equal Opportunity Officer. Charter shall designate and maintain, for at least five years following the close of the Transaction, a senior officer with genuine organizational authority over equal opportunity compliance for its California operations, reporting to senior management, with a specific mandate to conduct or oversee pay equity audits, review promotion and performance evaluation processes for potential bias, and develop remediation plans where disparities are identified. This condition is modeled on the Commission's recognition in the Verizon-Frontier proceeding that California law requires more than passive compliance.

Recruitment Pipelines. Charter shall establish a recruiting pipeline from California State Universities and California community colleges, aimed at recruiting from underrepresented populations in consultation with the Commission's ESJ Working Group.[18] As part of this effort, Charter shall include targeted outreach in ESJ communities—including communities like Ontario, California that have been disproportionately affected by Charter's recent layoffs—with attention to documented barriers to fair hiring and advancement.

Employee Surveys on Belonging and Inclusion. Charter shall include questions on belonging and inclusion in its regular employee engagement surveys, on at least a quarterly basis. Workers should be able to self-identify based on characteristics that include: race, ethnicity, gender, disability, veteran status, gender identity, and sexual orientation. The results will be included in the Transparency Report and any other venues designated by the Commission.[19]

Disaggregated Workforce Reporting. Charter shall report annually to the Commission on hiring, compensation, and promotion outcomes for its California workforce, disaggregated by race, ethnicity, and gender. Reporting shall include median pay by role level, promotion rates, and year-over-year trends. This report shall include analysis of how the changes that Charter announced in the February 26, 2026 letter to the FCC may have affected the composition, retention,

[17] EEO Leaders' Response to the July 2025 DOJ Memo on "Unlawful Discrimination," November 2025.

[18] This is modeled on the Commission's Ordering Paragraph 6 in the Verizon-Frontier Decision. See Decision at 117–118.

[19] This is modeled on the Commission's Ordering Paragraph 9 in the Verizon-Frontier Decision. See Decision at 118–119.

and satisfaction of the workforce (informed by the employee surveys).[20] The report shall be filed with the Commission and served on Cal Advocates, NIWR, and any other parties designated by the Commission.[21]

Pay Equity Audits. Charter shall conduct biennial pay equity audits of its California workforce, using methodology consistent with California Equal Pay Act requirements. Where audits identify unjustified pay disparities, Charter shall implement a documented remediation plan and report results to the Commission. Pay equity audits are an important mechanism for detecting and correcting violations of the California Equal Pay Act, which already prohibits unjustified pay differentials based on sex and race for substantially similar work.[22]

V. CONCLUSION

NIWR's participation in this comment process will not prejudice any party and will not delay the schedule or broaden the scope of the issues in the proceeding.

NIWR respectfully requests that the Commission impose additional conditions of approval addressing workforce equity, consistent with the Commission's ESJ Action Plan, Section 854's employee-impact requirements, and the standard established in the Verizon-Frontier Order.

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[20] This is modeled in part on the Commission's Ordering Paragraph 10 in the Verizon-Frontier Decision. See Decision at 119.

[21] Though the settlement agreement with CETF includes a reference to reporting "employee diversity metrics" as required by existing law on p. 13 of the Agreement, NIWR submits that is insufficient as it does not include compensation and promotion data.

[22] See California Pay Equity Task Force, *What Can I Do To Promote a Culture of Pay Equity?*, available at https://women.ca.gov/californiapayequity/employers-resources/what-can-i-do-to-promote-a-culture-of-pay-equity/.

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