



5887 Copley Drive
San Diego, CA 92111-7906

Via Email and USPS

March 1, 2017

Mr. Gary Halbert
City Manager, City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 91910

Subject: Cox Communications State Franchise Certificate and P.E.G. Fee

Dear Mr. Halbert:

In accordance with California's Digital Infrastructure and Video Competition Act (DIVCA), Cox Communications, California, LLC (Cox), holds a state-authorized franchise to provide video service in the City of Chula Vista.

We are writing to inform you that the California Public Utilities Commission has approved and issued a renewed state video franchise certificate for Cox, which will take effect April 27, 2017, upon the expiration of the current certificate. A copy of the renewed certificate is enclosed for your records.

As your city is currently collecting a P.E.G. fee, Cox will need authorization from the City of Chula Vista to enact the P.E.G. fee under the effective dates of this renewed certificate. If the City of Chula Vista would like to Cox continue collecting and remitting this fee beyond April 27, 2017, please provide written authorization by March 27, 2017, to: Hugo Carmona via email at Hugo.Carmona@cox.com or via mail at 5887 Copley Drive, San Diego, CA 92111.

If you have any questions or require additional information, please do not hesitate to contact us.

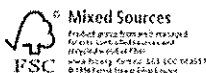
Sincerely,

Hugo Carmona
Manager, Government Affairs
Cox Communications

cc:

Diane Howell, Communications, City of Chula Vista
Glen Googins, City Attorney, City of Chula Vista
Kelley Bacon, Deputy City Manager, City of Chula Vista

Enclosure: State Franchise Certificate



In harmony with the Cox Conserves eco-friendly program, we are proud to print on Forest Stewardship Council-certified paper.



5887 Copley Drive
San Diego, CA 92111-7906

Via Email and USPS

March 28, 2017

Mr. Gary Halbert
City Manager, City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 91910

Subject: Cox Communications State Franchise Certificate and P.E.G. Fee

Dear Mr. Halbert:

As a follow up to Cox's letter dated March 1, 2017 regarding the reauthorization of P.E.G. Fees, I am writing to provide you additional information regarding our request.

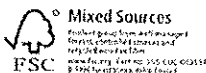
Cox has determined that we do not have the legal authority to continue collecting and remitting a P.E.G. Fee on behalf of the City of Chula Vista beyond the expiration of our original state franchise certificate, April 27, 2017. Cox's determination takes into consideration language from the Digital Infrastructure and Video Competition Act of 2006 (DIVCA) which states, "A state-issued franchise shall only be valid for 10 years after the date of issuance, and the video service provider shall apply for a renewal of the state franchise for an additional 10-year period if it wishes to continue to provide video services in the area covered by the franchise after the expiration of the franchise." (Pub. Util. Code § 5850(a)). Therefore, Cox believes any previous ordinances and/or resolutions enabling P.E.G. Fees will expire with the expiration of Cox's origination certificate on April 27, 2017. Cox has been advised by our legal counsel to obtain authorization from the City in the form of a new or reauthorized ordinance and/or resolution to continue collecting and remitting P.E.G. fees under the new franchise term to avoid the potential of class action lawsuits on behalf of rate payers.

Cox is cognizant of the process and timing for such authorization. As we work to avoid any disruption in the collection and remittance of the fee to the City, we ask that you let us know when the City will be agendizing this authorization.

We appreciate our partnership with the City in serving the residents and businesses of the City of Chula Vista.

Sincerely,

Hugo Carmona
Manager, Government Affairs
Cox Communications



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