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REDACTED - FOR PUBLIC INSPECTION

November 30, 2015

BY ECFS

Marlene H. Dortch Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, DC 20554

Re: Notice of Ex Parte Letter, Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to Assign or Transfer Control of Licenses and Authorizations, MB Docket No. 15-149

Dear Ms. Dortch:

In accordance with the *Protective Order* in the above-captioned proceeding, ¹ DISH Network Corporation ("DISH") submits the attached public, redacted version of its *ex parte* letter dated November 30, 2015. DISH has denoted with "{{BEGIN HCI END HCI}}" symbols where Highly Confidential Information has been redacted. The designated Highly Confidential Information in the letter was taken from or derived from Highly Confidential Information in the Applicants' filings. A Highly Confidential version of this letter is being simultaneously filed with the Commission and will be made available pursuant to the terms of the *Protective Order*.

Please contact me with any questions.

Respectfully submitted,

Andrew Golodny

Counsel for DISH Network Corp.

Enclosure

¹ Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to Assign or Transfer Control of Licenses and Authorizations, MB Docket No. 15-149, Protective Order, DA 15-110 (Sept. 11, 2015).

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Re: Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to Assign or Transfer Control of Licenses and Authorizations, MB Docket No. 15-149

Dear Ms. Dortch:

As DISH Network Corp. ("DISH") previously demonstrated, the claimed "benefits" of the proposed transaction are either illusory or are not transaction specific. The lack of a causal nexus between the merger and the benefits is particularly stark in the case of Bright House Network ("BHN"). Under its existing partnership with Time Warner Cable ("TWC"), BHN is already positioned to complete deployment of its next generation network in a timely fashion. Far from making those deployments possible, or even accelerating their deployment, it seems the

¹ See DISH Network Corp., Petition to Deny, MB Docket No. 15-149 at 34-38 (Oct. 13, 2015) ("DISH Petition"); Reply of DISH Network Corp., MB Docket No. 15-149 at 24-31 (November 12, 2015) ("DISH Reply").

² See Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations, Staff Analysis and Findings, 26 FCC Rcd. 16188, 16247-49 ¶¶ 124-28 (2011) ("Efficiencies that can be achieved through means less harmful to competition than the proposed merger . . . cannot be considered to be true pro-competitive benefits of the merger.").

Marlene H. Dortch November 30, 2015 Page 2

proposed merger may have had the reverse effect: BHN admits internally that {{BEGIN HCI END HCI}}.3

Described below are some additional areas in which benefits by the Applicants to be produced by the transaction appear well on their way to being produced without it.

Capital Spending. BHN had already made significant capital expenditures {{BEGIN HCI

END HCI}}⁴ Further, {{BEGIN HCI

END

HCI}}.5

All Digital. The Applicants claim that "New Charter will transition Time Warner Cable['s] and Bright House Networks' cable systems to all-digital networks within 30 months of the close of the Transaction." But BHN's plans for all digital conversion are already well underway, and it is unclear whether the proposed merger would do anything other than delay those plans. BHN has slated its all-digital conversion in {{BEGIN HCI

END HCI}}, which is significantly faster than the 30 months cited by Applicants. Moreover, BHN plans to spend {{BEGIN HCI

END HCI}}8

Speed Upgrades. A major supposed benefit of the proposed transaction is that New Charter will bring a minimum 60 Mbps broadband service "to consumers in Time Warner Cable

END HCI}}

END HCI}}

³ BHN response to September 21, 2015 Information Request, Exhibit 12 at 000139.

^{4 {{}BEGIN HCI

⁵ {{BEGIN HCI END HCI}}

⁶ Public Interest Statement at 19.

⁷ {{BEGIN HCI

^{8 {{}BEGIN HCI END HCI}}

Marlene H. Dortch November 30, 2015 Page 3

and Bright House Networks' areas where the cable systems are all-digital at closing." Yet, not unlike Time Warner with its TWC Maxx service, BHN is already well-positioned to offer a higher level of speed tiers to customers whether or not the merger is consummated. In fact, BHN has itself already made significant investments through {{BEGIN HCI

END HCI}} Part of that investment

was completed in {{BEGIN HCI

END HCI}}. ¹⁰ As a result, BHN has launched a 300 Mbps broadband service throughout its Florida service area (including Tampa Bay and the Central Florida region). ¹¹ BHN is set to {{BEGIN HCI}

END HCI}}. 12 BHN's planning for 2017

contemplates {{BEGIN HCI

END HCI}}¹³ Put simply, it is unclear what Charter's management of BHN will do to improve upon BHN's existing and ongoing network deployment plans. Additionally, and as noted in DISH's Reply, it would not be a benefit for Bright House customers to be forced to pay for a higher speed tier of 60 Mbps without a lower cost alternative. In that respect, as BHN recently recognized, customers in the "lite" tier (i.e. speeds up to 2 Mbps) {{BEGIN HCI}}¹⁵

Wifi Deployment. BHN has expanded (and plans to continue expanding) its public Wifi hotspots even without the transaction. BHN's response to the Commission's information requests reveals that {{BEGIN HCI

END HCI}} Internal

END HCI}}

END HCI}}

END HCI}}

END HCI}}

⁹ Public Interest Statement at 19.

^{10 {{}BEGIN HCI

¹¹ See "Bright House Networks Launches New Ultra-Fast 300 Mbps Broadband Service Throughout Entire Florida Service Area," available at https://brighthouse.com/about/about-us/newsroom/ultra-fast-300bps-broadband.html (March 3, 2015).

^{12 {{}BEGIN HCI

^{13 {{}BEGIN HCI

¹⁴ See DISH Reply at 25-26.

^{15 {{}BEGIN HCI

¹⁶ BHN Response to September 21, 2015 Information Request, Exhibit 3 (July 2013 Strategic Review).

Marlene H. Dortch November 30, 2015 Page 4

presentations show that BHN's Wifi network {{BEGIN HCI

END HCI}}, 17 that BHN {{BEGIN HCI END HCI}}, and that {{BEGIN END HCI}} The same memorandum

HCI

shows BHN estimated that {{BEGIN HCI

END HCI} 19 Another document reveals that BHN {{BEGIN HCI

END HCI}}²⁰

As for Charter, while the Applicants have now stated the intention of New Charter to join the Cable Wifi consortium, ²¹ TWC and BHN are already members of Cable Wifi, and Charter should not need the impetus of this proceeding to push it to join. Indeed, another internal document shows that {{BEGIN HCI

END HCI}}²²

* * *

As it is Applicants' burden to demonstrate that the proposed merger is in the public interest, and that any claimed benefits of the merger would only occur if the merger takes place, the proposed transaction cannot proceed on the basis of the benefits claimed in the Public Interest Statement.

17 {{BEGIN HCI

END HCI}}

18 {{BEGIN HCI

END HCI}}

19 Id

²⁰ {{BEGIN HCI

END HCI}}

²¹ See Response of Charter Communications Inc. to Information and Data Requests Dated September 21, 2015, October 13, 2015, Response to Request 74(d).

^{22 {{}BEGIN HCI END HCI}}

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Sincerely,

Stephanie A. Roy Counsel for DISH Network Corporation