



# California Public Utilities Commission

## Creating Customer Service Standards in State Franchising



### Make an Impact!

Recent legislation has authorized the California Public Utilities Commission (CPUC) to create new customer service standards for franchise holders and adjudicate complaints regarding their video and broadband services. Help us create these new regulations by doing any of the following:

1. [Become a party](#) to the proceeding ([Rulemaking 23-04-006](#)).
2. If you do not wish to become a party, you can still submit your comments and read the comments of others on the online CPUC Docket Card [comment section](#). This ensures that your comments will appear on the formal record of the proceeding and can even be used by the assigned judge to inform their decisions.
3. Separately from the proceeding, the CPUC regularly logs complaints across all CPUC-jurisdictional areas on the [online complaint portal](#). You can submit a [complaint](#) about your utility service in this portal to get assistance in resolving customer service issues. The information you provide will be valuable data for decision-makers and legislators in creating future customer service rules.

### What is State Franchising and Who are State Franchise Holders?

The CPUC grants state-issued franchises to businesses seeking to offer video services in California. These franchise holders in California generate \$6.5 billion in video revenue annually. Additionally, according to the latest annual franchising report, more than three quarters of all broadband-connected households receive their broadband services from internet service providers who are also state franchise holders (e.g., Charter, Comcast, Cox, DirecTV, Frontier). Currently, there are 27 active franchise holders in the state, with the largest five franchise holders serving approximately 95% of all video subscribers.

### Background on Local and State Franchising

Prior to the Digital Infrastructure and Video Competition Act (DIVCA) of 2006, franchises were authorized individually by 300 city and county governments in California. DIVCA streamlined the franchising authorization process and shifted authority toward a state-wide approach. As a result, under DIVCA, the CPUC now only determines whether an application form submitted by the franchise holder is complete. The new rulemaking is considering adding customer service-related evaluation criteria as part of this renewal process.

### Recent Changes to Legislation

Recently enacted legislation ([SB 28](#)) removed the language in DIVCA that prevented the CPUC from adopting and enforcing additional customer service standards beyond those included in the [US Cable Act of 1992](#). With the passing of SB 28, franchise holders are now required, for the first time, to report detailed information on service availability at the address level to the CPUC. This data can help determine whether services are being unfairly denied according to DIVCA's non-discrimination statement.

### We Want to Hear from You!

You can make a difference by completing any of the action items listed above. If you have any questions or would like more information on how you can help, please contact us at [videofranchising@cpuc.ca.gov](mailto:videofranchising@cpuc.ca.gov).

For more information on how the California Public Utilities Commission is helping to ensure customers are receiving the service they pay for, visit [cpuc.ca.gov/regulatory-services/licensing/video-franchising](http://cpuc.ca.gov/regulatory-services/licensing/video-franchising).