

**BEFORE THE  
STATE OF NEW YORK PUBLIC SERVICE COMMISSION**

Supplement to Application of	)	
	)	
	)	
Time Warner Cable Northeast LLC in Connection	)	
with the Acquisition of Certain Cable Television	)	Case No. 14-V-0023
Facilities and Franchises in the Towns of Greene	)	
and Smithville from Haelele TV, Inc.	)	
	)	
	)	

**Supplement to Application of Time Warner Cable Northeast LLC in Connection with the  
Acquisition of Certain Cable Television Facilities and Franchises in the Towns of Greene  
and Smithville from Haelele TV, Inc.**

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April 17, 2014

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Acquisition of Certain Cable Television Facilities and Franchises in the Towns of Greene  
and Smithville from Haeefe TV, Inc.**

Time Warner Cable Northeast LLC (“TWCNE”) respectfully submits this Supplement to its Application requesting approval by the New York Public Service Commission (“Commission” or “PSC”) for the acquisition of certain cable television franchises in the Towns of Greene and Smithville from Haeefe TV, Inc. (“Haeefe”).

**BACKGROUND**

On January 24, 2014, in accordance with N.Y.C.R.R. § 897.4, TWCNE filed an application for the acquisition of the certain cable television and franchises owned by Haeefe. (“Original Application”). Effective April 1, 2014, Subdivision 3 of section 222 of the Public Service Law, as added by chapter 83 of the laws of 1995, was amended to read as follows:

“(b) The commission shall not approve the application for a transfer of a franchise, any transfer of control of a franchise or certificate of confirmation, or of facilities constituting a significant part of any cable television system unless the applicant demonstrates that the proposed transferee and the cable television system conform to the standards established in the regulations promulgated by the commission pursuant to section two hundred fifteen of this article, that approval would not be in violation of law, or any regulation or standard promulgated by the commission, and that the transfer is otherwise in the

public interest; provided, however, that a failure to conform to the standards established in the regulations promulgated by the commission shall not preclude approval of any such application if the commission finds that such approval would serve the public interest.”

This Supplement to the Application provides additional information that will enable the Commission to find that the transfer of the Haeefe franchises (“Transfer”) conforms with the Commission’s rules and regulations and that the Transfer is in the public interest.

**Parties:**

Haeefe, the seller, is engaged in the business of providing cable services and high speed internet services and other related services to its customers in the Towns of Greene and Smithville. Haeefe does not provide any telephony services.

TWCNE, the buyer, is a wholly owned indirect subsidiary of Time Warner Cable Inc. (“TWC”), which is one of the largest and most experienced operators of cable television systems in the United States. As of September 30, 2013, TWC served approximately 11.4 million residential video subscribers in 29 states. TWC has invested billions of dollars in recent years to rebuild and upgrade its cable systems and related equipment. As a result, virtually all of TWC’s systems are two-way and provide video and broadband Internet access, as well as voice services.

TWC has significant experience operating large, technologically advanced cable systems. Most of TWC’s systems have been upgraded to at least 750 MHz. TWC provides advanced video services over almost all of its systems, including digital cable, video-on-demand (VOD), high-definition television (HDTV) and digital video recorders. TWC also offers broadband Internet access and Voice over Internet Protocol (VoIP) services in nearly all of its systems.

In addition, TWC has established an excellent track record in developing technology to expand entertainment, information and communications options available through its cable systems. A more detailed discussion of the TWC’s experience and reputation for investment and

innovation can be found in its Form 10-K for the year ended December 31, 2012 and its Form 10-Q for the quarter ended September 30, 2013, which were both filed with the Commission under Docket No: 14-V-0023.

**Transfer:**

On December 17, 2013, TWCNE and Haeefe entered into a purchase agreement to sell substantially all of the assets of Haeefe used in connection with the operation of its cable television system. TWCNE notified the Commission of this transfer on January 24, 2014 through its Original Application. Haeefe's cable television system conforms with the standards established in the regulations promulgated by the Commission pursuant to section 215 of the Public Service Law, and TWCNE commits to continue to maintain such systems in conformance therewith. The approval of this Transfer does not violate any law, regulation or standard promulgated by the Commission.

**THE TRANSFER IS IN THE PUBLIC INTEREST**

The Transfer will generate substantial public interest benefits for the reasons discussed below.

**A. TWCNE Will Offer Voice Service in the Towns of Greene and Smithville**

Currently, Haeefe cable system only offers cable and high speed data services in the Towns of Greene and Smithville. TWCNE will introduce voice service in these communities. TWCNE will also offer Lifeline Service in these areas. The Lifeline Service provides a discount on phone service for qualifying low-income consumers to ensure that all TWC customers have the opportunities and security that phone service brings, including being able to connect to jobs, family and emergency services. The Lifeline Service would benefit low income and other

eligible telecommunications users in these new communities by offering innovative Lifeline services in competition with those currently offered by incumbent local exchange companies.

### **B. TWCNE Will Offer Comprehensive Video Experience and Programming**

The residents of the Towns of Greene and Smithville will have access to the broader programming and expanded channel lineup that are available to TWCNE customers. Haefele customers overall will have access to a more comprehensive video experience, no matter how or where they want to watch their favorite content. These customers will also have access to high definition channels and video on demand programming.

These customers will be able to watch YNN, the local news service produced by TWC and carried on all TWCNE systems in the area. This local news and weather programming service is available to customers full-time, 24 hours per day.

TWCNE, a larger company with broader investment resources, has a history of technological innovation, which will ensure that customers in these rural areas have access to state-of-the-art innovation. For example, as TWCNE customers, residents of the Towns of Greene and Smithville will have access to TWCNE's "TV Everywhere" product, which allows access to TWCNE programming on a variety of mobile devices. Customer cable boxes will also be replaced with technologically superior, new boxes.

### **C. TWCNE Would Offer Superior Customer Service and Innovative Products**

TWCNE's larger scale has enabled the Company to provide industry leading products, increased Internet speeds, comprehensive communications and digital phone products and features, and home management.

## CONCLUSION

TWCNE conforms to the standards established in applicable Commission regulations. Approval of the transfer of Haeefe's cable television facilities and franchises in the Towns of Greene and Smithville would not violate any law or regulation or standard of the Commission. The Transfer is otherwise in the public interest insofar as set forth above.

Respectfully submitted,

/s/ John E. Fogarty

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By: /s/ Maureen O. Helmer

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Dated: April 17, 2014

**BEFORE THE  
NEW YORK STATE  
PUBLIC SERVICE COMMISSION**

STATE OF NEW YORK                    )  
  ) SS.  
CITY OF NEW YORK                    )

**VERIFICATION OF JOHN E. FOGARTY**

John E. Fogarty, being duly sworn, deposes and says: I am the Vice President and Assistant Chief Counsel, Regulatory, the Applicant in this proceeding. I have read the foregoing Supplemental Application of Time Warner Cable Northeast LLC in Connection with the Acquisition of Certain Cable Television Facilities and Franchises in the Towns of Greene and Smithville from Haelele TV, Inc. and states that I know the contents thereof; and that the facts stated therein are true to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
John E. Fogarty

Sworn to before me this

17th day of April, 2014



**JASMIN M SCATURRO  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01SC6235858  
Qualified in Kings County  
My Commission Expires February 14, 2015**