

**BEFORE THE  
NEW YORK PUBLIC SERVICE COMMISSION**

Joint Petition of	)	
	)	
CHARTER COMMUNICATIONS, INC.	)	
	)	
and	)	Case 15-M-0388
	)	
TIME WARNER CABLE INC.	)	
	)	
For Approval of a Transfer of Control of	)	
Subsidiaries and Franchises; for Approval of	)	
a Pro Forma Reorganization; for Approval of	)	
Assignment of 16 Franchises; and for Approval	)	
of Certain Financing Arrangements	)	
	)	

**DECLARATION OF NOEL DEMPSEY**

1. My name is Noel Dempsey, and I am the Group Vice President in the Department of Network Expansion and Outside Plant Design at Time Warner Cable Inc. (“TWC” or the “Company”). I have held this position since April 2013, and my responsibilities include outside plant expansion, construction, activation and design for residential and commercial services. I have more than twenty years of experience in the cable industry and I have held positions in the Regional Engineering Operations and Regional Network Engineering departments at TWC prior to my recent position.

2. I submit this Declaration in connection with the Statement of Necessity submitted in the above referenced proceeding with regards to the request for confidential treatment of the broadband deployment information (“Deployment Data”), as submitted on behalf of TWC and Charter Communications (“Charter”). My declarations are limited to the Deployment Data for TWC only.

3. I have been advised that, on February 18, 2016, the Deployment Data was previously submitted to the Commission and the Broadband Program Office with much of the information redacted, and that the subsequent April 8, 2016 submission released all information with the exception of the detailed number of homes not passed, the information at issue here. The TWC Deployment Data contains the number of homes not served, or not “passed,” by TWC in each municipality in New York by franchise.

4. The purpose of this Declaration is to explain how the TWC Deployment Data is of substantial competitive value to TWC, and how public disclosure of the information would give unfair advantage TWC’s competitors to the detriment of TWC.

5. The TWC Deployment Data was compiled by TWC through a process that incorporates information from multiple data sources and geographic information systems (“GIS”). Pursuant to this process, TWC combines internal data and data from publicly available sources to create a proprietary data resource that it uses to analyze potential opportunities, such as potential residential and commercial passings, and to evaluate and plan strategic and speculative builds that may correspond to a significant residential, commercial or combined revenue opportunity. Data sources include information drawn from (i) TWC’s internal resources, such as TWC’s GIS database; and (ii) public resources, such as the United States Census Bureau housing units data and data obtained from the National Telecommunications & Information Administration (“NTIA”) that TWC acquires, combines and analyzes at its own expense for its own purposes. TWC has invested significant financial and employee resources to procure this data and continues to incur costs to maintain these data assets. The creation of TWC’s internal data is a multi-step process, including but not limited to, field walks, desktop surveys, field surveys and the development of special algorithms. The Deployment Data that was sent to the

Commission includes the output of an analysis conducted by a team of GIS engineers and TWC's internal and consulting data analysts. This effort required mapping of the Census Bureau housing units data blocks, NTIA broadband provider service level data blocks to TWC's proprietary GIS service area environment and other data inputs necessary to ultimately derive the number of unserved housing units in TWC's current franchise footprint outside of New York City.

6. The Deployment Data results from TWC's detailed analysis of existing and potential service territories and is an important tool that the Company may use to define its short and long term business strategy and prioritize its plans for facilities investment. As such, the Deployment Data has tangible value, in terms of the financial and operational investment TWC has made to create the data and the competitive and strategic insight that the data provides to TWC.

7. While the Deployment Data represents homes that are not yet served by TWC, there are other providers in these areas with which TWC faces fierce competition.<sup>1</sup> With the near ubiquitous availability of Satellite, wireless providers, competitive service providers and incumbent carriers, TWC is in constant competition with numerous other providers. As such, the data has tangible financial and strategic value to TWC's competitors. If allowed access to the data, TWC's competitors would receive a tangible financial benefit, in terms of being spared the cost of independently collecting market data and information about facilities deployment. TWC's competitors would also receive competitively valuable insight into TWC's basis for strategic decision-making involving the Company's future investments, facilities construction

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<sup>1</sup> For a complete list of the TWC's competitors in the franchise areas outside of New York City, please refer to Dempsey Declaration, Exhibit 1.

and marketing plans. Clearly, if the situation were reversed, TWC's competitors would be loath to release such information to TWC and other competitors.

8. For the past 10 years, TWC has been investing in updating its plant records to ensure that they are spatially accurate and consolidated into a single GIS system that enables the Company to analyze, manage and present spatial and geographic data to drive intelligent network expansion. TWC's financial investment in this effort exceeds \$128 million dollars. If given access to these data, TWC's competitors would gain a significant unfair advantage, not only because they would gain free information that TWC compiled at its own cost and effort, but also because they could use that information to identify markets that present significant opportunities with little or no competition. Armed with this cost and effort-free information, TWC's competitors could engage in "red lining" or "cherry-picking" hot spots and build their own networks only in the most lucrative and low-risk markets. Additionally, access to this data would enable incumbent providers to better prevent competitive entry, as it would inform them of areas where TWC is actively looking to expand its footprint. Tipping off incumbent competitors gives them the opportunity to initiate marketing campaigns and otherwise lock in their customers to long term contracts to discourage TWC from entering their service areas. This could materially change the penetration rate assumptions on the Company's build plan if the potential customers were all locked into contracts.

9. TWC also uses the Deployment Data to develop strategic business plans for future deployment, including sequencing of deployment for the most efficient use of manpower, resources, and money, and to target specific geographic areas for marketing strategies. If competitors were to obtain TWC's Deployment Data, they could identify and target their resources to invest and market in areas where TWC is competitively vulnerable or conversely,

refrain from targeting certain areas where TWC is competitively strong. In the long term, this will result in market balkanization, as competitors could avoid the cost and risk of independent market analysis and simply pick and choose only the most ripe market opportunities. Moreover, TWC's competitors could use the Deployment Data to gauge the success of TWC's market penetration such that competitors would use that information to develop competitive strategies or in negative marketing campaigns.

10. The Deployment Data is also not publicly available, and is not disclosed to the investment community. TWC's passings data and deployment plans are provided to the investment community only after the conclusion of construction.

11. Within TWC, only TWC employees and vendors who have prepared and compiled the information and only TWC management who are involved in strategic planning and high-level business decisions have access to the Deployment Data. In fact, these data sets in their uncompiled formats are available only to certain teams within TWC. These data sets in their compiled forms are available only to market development and network expansion designers. Otherwise, data sets are compiled only for specific reasons, for example, in this instance, to respond to a Commission request. Compilation of the information was a costly and complex endeavor. As mentioned above, a number of database and information resources are used to develop the information, not to mention the combined efforts of a variety of TWC organizations and outside contractors.

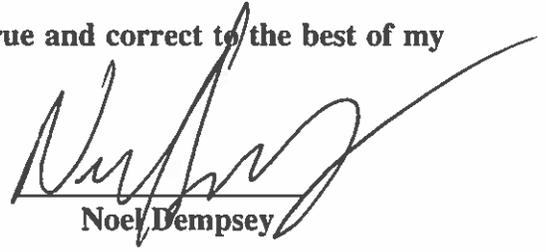
12. After compilation of the information, employees only have access on a need-to-know basis for strategic, facilities and network planning and development and implementation of marketing plans. TWC takes the protection of the Deployment Data very seriously and, in fact, employs a variety of measures to restrict access to sensitive and confidential information,

including the use of password-protected shared document libraries, restring access to information by job description and category also by requiring all employees to participate in annual training to ensure compliance with data protection practices.

13. Because much of the information was developed from TWC databases, it would be extremely costly, complex, time-consuming and extraordinarily difficult for others to duplicate the information. At best, anyone attempting to replicate the Deployment Data would only be able to achieve rough estimates without expending a tremendous amount of time and money by, for instance, going door-to-door to query individual homes.

14. In sum, in my judgment, disclosure of the Deployment Data will harm TWC as (a) it will allow competitors to benefit from TWC's own costly efforts to develop data, thus reducing the competitors' costs as compared with TWC's; and (b) it will provide guidance on how to compete against TWC more effectively. In either case, the result will be competitive harm to TWC in terms of lost customers, lost revenues, and lost investments.

**I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.**



Noel Dempsey

**April 20, 2016**

**DEMPSEY DECLARATION - EXHIBIT 1**

**ALTERNATIVE PROVIDERS IN TWC FRANCHISE AREAS OUTSIDE OF NYC**

Adams CATV Inc.  
Deposit Telephone Company, Inc.  
Alteva Hometown, Inc.  
Frontier Communications Corporation  
Armstrong Telephone Co of New York  
Atlantic Broadband (Penn), LLC  
Berkshire Cable Corp.  
Berkshire Telephone Company  
Cablevision Lightpath, Inc.  
Cogent Communications Group  
Level 3 Communications, LLC  
Light Tower Fiber LLC  
Verizon New York Inc.  
Cassadaga Telephone Corporation  
Castle Cable TV, Inc.  
Champlain Telephone Company  
Charter Communications Inc.  
Chautauqua & Erie Telephone Corporation  
Chazy & Westport Telephone Corporation  
Citizens Telephone Company of Hammond, NY  
Comcast of New York, LLC  
Crown Point Network Technologies, Inc.  
CSC Holdings, Inc.  
Delhi Telephone Company  
MTC Cable  
Delhi Telephone Company  
DFT Local Service Corporation  
Dunkirk and Fredonia Telephone Company  
Edwards Telephone Company, Inc.  
Empire Long Distance Corporation  
Empire Telephone Corp.  
Fiber Technologies Networks, L.L.C.  
Finger Lakes Technologies Group  
Haefele TV Inc.  
Keene Valley Video, Inc.  
Mid-Hudson Cablevision, Inc.  
Margaretville Telephone Co Inc  
MegaPath Corporation  
MTC Cable  
Newport Telephone Company, Inc.  
Nicholville Telephone Company, Inc.

Slic Network Solutions, Inc.  
Northland Networks  
Oneida County Rural Telephone Co.  
Ontario Telephone Company Inc.  
Oriskany Falls Telephone Corp  
Pattersonville Telephone Company  
Port Byron Telephone Company  
Primelink, Inc.  
Slic Network Solutions, Inc.  
Southern Cayuga County Cablevision, LLC  
State Telephone Company, Inc.  
Taconic Telephone Corporation  
The Middleburgh Telephone Co  
Township Telephone Company, Inc.  
Trumansburg Telephone Company, Inc.  
Westelcom Network  
Vernon Telephone Company, Inc.  
Windstream Corporation