

Case 15-M-0388
Charter/Time Warner Cable Transaction

Staff of the Department of Public Service
Interrogatory/Document Request

Request No.: DPS-59
Requested By: DPS Staff
Date of Request: October 15, 2015
Reply Date: October 30, 2015
Subject: Line Extension Cost Estimates

REQUEST:

For the years 2012 through 2015, submit one (1) line extension estimate each, per year, per company, that Time Warner Cable and Charter Communications have produced and provided to a requesting potential subscriber, in accordance with §895.5, "Requirements for construction of cable television plant and provision of cable television services". Include all engineering and cost estimate work papers that resulted in each line extension cost estimate. Clearly identify all specific input values that were used in accordance with the contribution-in-aid-construction formula:

$$\frac{C}{LE} - \frac{CA}{P} = SC$$

where:

C equals the cost of construction of new plant

CA equals the average cost of construction per mile in the primary service area

P equals the lower of 35 or the average number of dwelling units per linear mile of cable in areas described in subparagraphs (a)(1)(i) and (ii) of §895.5

LE equals the number of dwelling units requesting service in the line extension area

SC equals subscriber contribution-in-aid-of-construction in the line extension area

Include backing documentation that details individual components of C (i.e., cable, active/passive devices; aerial or underground facilities); CA cost figure factors; any figures, including plant mileage and dwellings per mile, that were used to determine P value.

If either petitioner has utilized an alternative formula to determine an estimated contribution-in-aid-of-construction charge, which formula being different than the formula set forth in §895.5, provide the comparative cost estimate using the Commission formula above to demonstrate that the petitioners' alternative formula does not result in a higher subscriber line extension contribution-in-aid-of-construction charge than would result from the use of the Commission formula, as specified in §895.5(b)(5)(ii).

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RESPONSE:

TIME WARNER CABLE:

Time Warner provides four line extension estimates, one each for the years 2012-2015, for line extension projects in response to this request as Exhibit 59-A. Each of these estimates was prepared using the formula found in Section 895.5 of the Public Service Commission's Rules.

[REDACTED]

CHARTER:

Charter provides four line extension estimates, one each for the years 2012-2015, for line extension projects in response to this request as Exhibit 59-B. Each of these estimates was prepared using the formula found in Section 895.5 of the PSC's Cable Rules. However, as discussed below, [REDACTED]

[REDACTED]

In three of the four examples provided in Exhibit 59-B, [REDACTED]

[REDACTED]

- [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

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[REDACTED]

In preparing Exhibit 59-B, [REDACTED]

[REDACTED]

Respondent Name (witness or panel): Nestor Martin, Sr. Director, Engineering Operations and Christopher Cruz, East Region OSP Data Operations Manager [Time Warner Cable]; Greg Mott, VP – Regional Engineering [Charter] Date: October 30, 2015.