

STATE OF NEW YORK  
DEPARTMENT OF PUBLIC SERVICE

|   |   |                |
|---|---|----------------|
| Joint Petition of                       | ) |                |
|   | ) |                |
| <b>TIME WARNER CABLE INC.</b>           | ) |                |
|   | ) |                |
| and                                     | ) |                |
|   | ) | Case 14-M-0183 |
| <b>COMCAST CORPORATION</b>              | ) |                |
|   | ) |                |
| For Approval of a Holding Company Level | ) |                |
| Transfer of Control                     | ) |                |
|   | ) |                |

**DECLARATION OF TERENCE RAFFERTY**

1. My name is Terence Rafferty, and I am Regional Vice President of Operations at Time Warner Cable Inc. My responsibilities include oversight of Time Warner Cable's operations, including call centers and technical operations in the Northeast, including New York State.

2. I submit this Declaration in connection with Comcast and Time Warner Cable's appeal from a July 22, 2014 Determination of Administrative Law Judge David Prestemon, which, among other things, denied Time Warner Cable's request that information related to DPS-24, Exhibit 24, and DPS-46 and Exhibit 46, provided in response to Staff discovery request, be excepted from public disclosure. The purpose of this Declaration is to explain why Time Warner Cable views this information as confidential business information that constitutes trade secrets and why the public disclosure of such information would unfairly advantage Time Warner Cable's competitors and cause substantial competitive harm to Comcast.

3. In connection with DPS-24 and Exhibit 24, this information is kept strictly confidential by Time Warner Cable, and is treated by Time Warner Cable as a trade secret. The

information identifies the number of employees at each Time Warner Cable call center in New York and sets forth also detailed facility-by-facility hours, staffing and operational information, including call interflow parameters. Exhibit 24 specifically delineates how many employees at each call center are dedicated different functions and during which hours. In short, the information reveals aspects of Time Warner Cable's operational expertise, which Time Warner Cable developed over a significant period of time and at significant cost.

4. This information would be very useful to competitors that offer, or are considering offering, products and services similar to those offered by Time Warner Cable. It would assist them in the development of similar methods and procedures required to offer competitive products and services, and would give them detailed knowledge as to the expected costs and operational functions that would be required to compete against Time Warner Cable in given geographic markets.

5. The public disclosure of this information would result in substantial competitive harm to Time Warner Cable, because it would give competitors of all types (*e.g.*, wireline, wireless, satellite, etc.) unfair insight into the manner in which Time Warner Cable manages its operations centers. Competitors could unfairly exploit this detailed information to serve their own competitive and corporate interests. Less efficient competitors could, for example, attempt to mimic Time Warner Cable's staffing levels, shift management strategies, call handling patterns, or call interflow parameters. By mimicking Time Warner Cable's staffing levels, competitors could also save the investment in research and operational "trial and error" such that those competitors could enter the market at a lower cost than the costs incurred by Time Warner Cable. In addition, competitors could attempt to exploit this granular information in their marketing efforts by, for example, misusing the data in sales, retention, or win-back campaigns

trumpeting purportedly higher staffing levels in a given geographic area. Similarly, competitors could exploit this information by claiming that Time Warner Cable's customer service suffers because of staffing decisions the company makes. At the same time, Time Warner Cable would be deprived of any opportunity for comparative analysis or response, given that reciprocal information about its competitors' operations is not publicly available.

6. In sum, disclosure of this information will allow competitors to obtain information developed by Time Warner Cable at significant expense, which competitors could then use to their competitive advantage and Time Warner Cable's disadvantage. Disclosure of such information is therefore likely to result in substantial competitive harm to Time Warner Cable, which harm may manifest itself in lost customers, reduced revenue, and/or lower market shares.

7. Next, DPS-46 involves Time Warner Cable's provision of very detailed information concerning the broadband deployment projects. Exhibit 46 provides that information by showing detailed build-out and deployment plans individual projects in each affected Time Warner Cable franchise area. The information is particularly granular, showing the plant mileage to be built out, the number of premises to be passed by the build out, and the expected completion date.

8. Disclosure of this information would cause substantial injury to Time Warner Cable's competitive position. First and foremost, competitors would have access to Time Warner Cable's detailed build out and deployment plans in specific towns. Where and when Time Warner Cable plans to deploy fiber and other facilities to upgrade and/or expand its network is highly confidential, trade secret information that would provide advance insight to

competitors as to where Time Warner Cable plans to offer increase speeds and additional services.

9. This is the very essence of competitive information and access to this information by competitors would allow them to gain an unfair competitive advantage by being able to respond to Time Warner Cable's deployment and upgrade plans well before such plans are made public. Competitors would have information about Time Warner Cable's confidential business plans before those plans are publicly known and would be able to upgrade their services in response to Time Warner Cable's upgrades and deployments before Time Warner Cable even completed its deployments. While competitors are free to deploy and upgrade services at the time they see fit, being able to do so in response to a competitor prior to Time Warner Cable making its plans public would provide an unfair advantage to those competitors – one that Time Warner cable would not have access to because its competitors would rightly keep their own deployment plans confidential. Were Time Warner Cable to have access to its competitors' deployment plans in such a manner, it could target its own upgrade and deployment projects to directly respond to such plans. In sum, in my judgment, this information would be very useful to competitors that offer, or are considering offering, products and services in competition to those offered by Time Warner Cable, which would cause substantial competitive harm to Time Warner Cable.

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

A handwritten signature in blue ink, appearing to read 'Terence Rafferty', is written over a horizontal line.

Terence Rafferty

Dated: August 1, 2014