

ATTACHMENT A
STATE VIDEO FRANCHISE APPLICATION

**APPLICATION FOR A NEW OR AMENDED
CALIFORNIA STATE VIDEO FRANCHISE
CALIFORNIA PUBLIC UTILITIES COMMISSION**

Definitions for the purposes of this Application:

A. "Access" means that the holder is capable of providing video service at the household address using any technology, other than direct-to-home satellite service, providing two-way broadband Internet capability and video programming, content, and functionality, regardless of whether any customer has ordered service or whether the owner or landlord or other responsible person has granted access to the household. If more than one technology is utilized, the technologies shall provide similar two-way broad band Internet accessibility and similar video programming.

B. "Affiliate" means any company 5 per cent or more of whose outstanding securities are owned, controlled, or held with power to vote, directly or indirectly either by a state video franchise holder or any of its subsidiaries, or by that state video franchise holder's controlling corporation and/or any of its subsidiaries as well as any company in which the state video franchise holder, its controlling corporation, or any of the state video franchise holder's affiliates exert substantial control over the operation of the company and/or indirectly have substantial financial interests in the company exercised through means other than ownership.

C. "Applicant" means any person or entity that files an application seeking to provide Video Service in the state pursuant to a State Video Franchise.

D. "Application" means the form prescribed by the Commission through which an Applicant may apply for a State Video Franchise or amend its Video Service Area.

E. "Application Fee" means any fee that the Commission imposes to recover its actual and reasonable costs of processing an Application.¹

F. "Area" means a set of contiguous (i) collections of census block groups or (ii) regions that are mapped using geographic information system technology.

¹ Cal. Pub. Util. Code § 5840(c). This fee is not levied for general revenue purposes, consistent with Public Utilities Code § 5840(c).

G. "Broadband" or "Broadband Service" means any service defined as Broadband, or having advanced telecommunications capability, in the most recent Federal Communications Commission inquiry pursuant to Section 706 of the Telecommunications Act of 1996 (P.L. 104-104).²

H. "Census Block Group" has the same meaning as used by the U.S. Census Bureau.

I. "Census Tract" has the same meaning as used by the U.S. Census Bureau.³

J. "Census Tract Basis" means pursuant to the reporting standards articulated in Appendix D and Appendix E, Section II of D.07-03-014.

K. "Commission" means the Public Utilities Commission.

L. "Company" means the Applicant and its Affiliates.

M. "DIVCA" means Assembly Bill 2987, the Digital Infrastructure and Video Competition Act of 2006 (Ch. 700, Stats. 2006).

N. "Household" means, consistent with the U.S. Census Bureau, a house, apartment, a mobile home, a group of rooms, or a single room that is intended for occupancy as separate living quarters.⁴ Separate living quarters are those in which the occupants live and eat separately from any other persons in building and which have direct access from the outside of the building or through a common hall.⁵

O. "Local Entity" means any city, county, city and county, or joint powers authority within the state within whose jurisdiction a State Video Franchise Holder may provide Video Service.⁶

P. "Low-Income Household" means a residential Household where the average annual Household income is less than \$35,000, as based on U.S. Census Bureau

² Id. at § 5830(a). The Federal Communications Commission currently uses the term "broadband" and "advanced telecommunications capability" to describe services and facilities with an upstream (customer-to-provider) and downstream (provider-to-customer) transmission speed of more than 200 kilobits per second. Federal Communications Commission, Availability of Advanced Telecommunications Capability in the United States, Fourth Report to Congress, FCC 04-208, 10 (Sept. 9, 2004). This definition, however, is under review by the Commission, and it may evolve in response to rapid technological changes in the marketplace. Id.

³ Cal. Pub. Util. Code at § 5960(a).

⁴ Id. at § 5890(j)(1).

⁵ Id.

⁶ Id. at § 5830(k).

estimates adjusted annually to reflect rates of change and distribution through January 1, 2007.⁷

Q. "State Video Franchise" means a franchise issued by the Commission pursuant to DIVCA.⁸

R. "State Video Franchise Holder" means a person or group of persons that has been issued a State Video Franchise from the Commission pursuant to Division 2.5 of DIVCA.⁹

S. "Telephone Service Area" means the area where the Commission has granted an entity a Certificate of Public Convenience and Necessity to provide telephone service.

T. "Telephone Corporation" means a telephone corporation as defined in Public Utilities Code § 234.

U. "Video Service" means video programming services, cable service, or open-video system service provided through facilities located at least in part in public rights-of-way without regard to delivery technology, including Internet protocol or other technology. This definition does not include (1) any video programming provided by a commercial mobile service provider defined in Section 322(d) of Title 47 of the United States Code, or (2) video programming provided as part of, and via, a service that enables users to access content, information, electronic mail, or other services offered over the public Internet.¹⁰

V. "Video Service Area" means the area proposed to be served under a State Video Franchise.

W. "Video Service Provider" means any entity providing Video Service.¹¹

PLEASE TYPE ALL INFORMATION UNLESS INSTRUCTED OTHERWISE.

Type of Application

1. Check as appropriate:

New Franchise Amended Franchise

⁷ Id. at § 5890(j)(2) (defining "low-income households" for the purposes of imposing build-out requirements).

⁸ Id. at § 5830(p).

⁹ Id. at § 5830(i).

¹⁰ Id. at § 5830(s).

¹¹ Id. at § 5830(t).

Applicant Information

2. Applicant's State Video Franchise number (if seeking an amended Franchise):

N/A

3. Applicant's full legal name:

C-Native Exchange I, LLC

4. Name under which the Applicant does or will do business in California:

Time Warner Cable

5. Legal name and contact information of Applicant's parent companies, including the ultimate parent:

Parent's Full Legal Name: Time Warner NY Cable LLC

Address: One Time Warner Center
North Tower 17th Floor
New York, NY 10019

Phone: 212-364-8000

Parent's Full Legal Name: Time Warner Cable LLC

Address: One Time Warner Center
North Tower 17th Floor
New York, NY 10019

Phone: 212-364-8000

Parent's Full Legal Name: Time Warner Inc. (Ultimate Parent)

Address: One Time Warner Center
New York, NY 10019

Phone: 212-484-8000

6. Applicant's principal place of business:

Address: One Time Warner Center
North Tower, 17th Floor
New York, NY 10019

Phone: 212-364-8000

7. Contact information for the person responsible for ongoing communication with the Commission about Video Service business:

Name: Deane Leavenworth

Title: Vice President, External Affairs

Address: 550 North Continental Boulevard

El Segundo, CA 90245

Phone (Business and mobile if any): 818-998-2228

Fax: 310-647-3036

Email: deane.leavenworth@twcable.com

8. Attach as Appendix A the names and titles of the Applicant's principal officers.

| |
|--|
| <input checked="" type="checkbox"/> Applicant's principal officers are attached as Appendix A. |
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Build-Out Information

Answer questions 9 through 11 only if the Applicant or one of its Affiliates is a Telephone Corporation. Other Applicants should go to Question 13.

9. Does the Applicant alone or together with its Affiliates have more than 1,000,000 telephone customers in California?

Yes No

10. Does the Video Service Area include areas outside of the Telephone Service Area of the Applicant and its Affiliates?

Yes No

11. Is the Applicant primarily deploying fiber optic facilities to the customer's premise?

Yes No

12. Excluding direct-to-home satellite, is Video Service currently offered by another Video Service Provider in the Video Service Area proposed in this Application?

Yes No

Existing Local Cable or Video Franchise Holder Information

13. Does the Applicant alone or together with its Affiliates currently hold a local franchise, or has the Applicant held a local franchise in the Video Service Area in the last six months?

Yes No

If "Yes," then download and complete the electronic template available at <http://www.cpuc.ca.gov/video/application>.

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|---|
| <input checked="" type="checkbox"/> This information is provided in the data sheets on the accompanying CD. |
|---|

Video Service Area Information

14. Utilizing the template provided at <http://www.cpuc.ca.gov/video/application> (as applicable), provide a geographic description of the Video Service Area and input the expected date for the deployment of each Area in the Video Service Area.

The geographic description shall be detailed as follows:

- a. A collection of U.S. Census Bureau Census Block Groups, or
- b. A geographic information system digital boundary meeting or exceeding national map accuracy standards.

o If Applicant chooses "a," then download and complete the electronic template available at <http://www.cpuc.ca.gov/video/application>.

o If Applicant chooses "b," then submit the geographic information system digital boundary in digital format electronically to the Commission.

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| √ 14b: GIS Maps showing video service area boundaries are provided on the accompanying CD. |
|--|

15. Socioeconomic status information of residents within the Video Service Area

o If applicable, the Applicant shall provide this information utilizing the templates available at <http://www.cpuc.ca.gov/video/application>.

a. Provide the following baseline description of residents in the Video Service Area:

i. *Number of Households*: The number of Households in each Census Tract included in the Video Service Area. Utilize the most recent U.S. Census projections of households available as of January 1 of the year the Application is submitted to determine the number of Households.

ii. *Number of Low-Income Households*: The number of Low-Income Households in each Census Tract included in the Video Service Area. Utilize the most recent U.S. Census projections of low-income households available as of January 1, 2007 to determine the number of Low-Income Households.

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|---|
| √ 15a i & 15a ii: Total number of households and low-income households in proposed Video Service Area are provided on the data sheets on the accompanying CD. |
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b. Provide or attest in the attached Affidavit that Applicant shall provide, no later than 90 calendar days after the date of the Commission's issuance of a State Video Franchise to the Applicant, the following description of residents in the Video Service Area on a Census Tract Basis:

i. *Wireline Broadband*:

1. The number of Households in each Census Tract to which the Company makes wireline Broadband available.

2. The number of Households in each Census Tract that subscribe to wireline Broadband that the Company makes available.

ii. *Non-Wireline Broadband:*

1. If the Company uses non-wireline technology to provide Broadband, specify the type(s) of technology used in each Census Tract.

2. The number of customers in each Census Tract that subscribe to non-wireline Broadband that the Company makes available.

3. Using geographic information system digital boundaries that meet or exceed national map accuracy standards, provide maps that delineate (i) Census Tract boundaries and (ii) where the Company typically makes non-wireline Broadband available.

iii. *Video service:* The number of Households in each Census Tract that are offered Access by the Company.

iv. *Low-Income* (Utilize the most recent U.S. Census projections of low-income households available as of January 1, 2007 to determine the number of Low-Income Households): The number of Low-Income Households that are offered Access by the Company.

| | |
|---|---|
| √ | 15b i, iii, and iv will be provided no later than 90 calendar days after the Commission's issuance of a state Video Franchise to the Applicant. 15b ii is not applicable. |
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16. Socioeconomic status information of residents within the Telephone Service Area

o If applicable, the Applicant shall provide this information utilizing the templates available at <http://www.cpuc.ca.gov/video/application>.

a. If the Applicant or any of its Affiliates is a Telephone Corporation, provide the following baseline description of residents in the Telephone Service Area:

i. *Number of Households:* The number of Households in each Census Tract included in the Telephone Service Area. Utilize the most recent U.S. Census projections of households available as of January 1 of the year the Application is submitted to determine the number of Households.

ii. *Number of Low-Income Households*: The number of Low-Income Households in each Census Tract included in the Telephone Service Area. Utilize the most recent U.S. Census projections of low-income households available as of January 1, 2007 to determine the number of Low-Income Households.

√ 16a i & 16a ii: Total number of households and low-income households in proposed Video Service Area are provided on the data sheets on the accompanying CD.

b. If the Applicant or any of its Affiliates is a Telephone Corporation, provide or attest in the attached Affidavit that Applicant shall provide, no later than 90 calendar days after the date of the Commission's issuance of a State Video Franchise to the Applicant, the following description of residents in the Telephone Service Area:

i. *Wireline Broadband*:

1. The number of Households in each Census Tract to which the Company makes wireline Broadband available.
2. The number of Households in each Census Tract that subscribe to wireline Broadband that the Company makes available.

ii. *Non-Wireline Broadband*:

1. If the Company uses non-wireline technology to provide Broadband, specify the type(s) of technology used in each Census Tract.
2. The number of customers in each Census Tract that subscribe to non-wireline Broadband that the Company makes available.
3. Using geographic information system digital boundaries that meet or exceed national map accuracy standards, provide maps that delineate (i) Census Tract boundaries and (ii) where the Company typically makes non-wireline Broadband available.

iii. *Video service*: The number of Households in each Census Tract that are offered Access by the Company.

iv. *Low-Income* (Utilize the most recent U.S. Census projections of low-income households available as of January 1, 2007 to determine the number of Low-Income Households): The number of Low-Income Households that are offered Access by the Company.

√ 16b i, iii, and iv will be provided no later than 90 calendar days after the Commission's issuance of a state Video Franchise to the Applicant. 16b ii is not applicable.

Financial, Legal, and Technical Qualifications

17. Provide or attest in the attached Affidavit that Applicant shall provide a copy of a fully executed bond in the amount of \$100,000 per 20,000 households in the Video Service Area, with a \$100,000 minimum and a \$500,000 maximum per State Video Franchise Holder, to the Executive Director prior to initiating video service and no later than 5 business days after the date of the Commission's issuance of a State Video Franchise to the Applicant. The bond must list the Commission as obligee and be issued by a corporate surety authorized to transact a surety business in California.

√ Signed Affidavit is attached as Appendix B. Bond will be provided no later than five business days after issuance of a State Video Franchise.

Local Entity Contact Information

18. Utilizing the template provided at <http://www.cpuc.ca.gov/video/application>, the Applicant shall provide the contact name and information for a representative from each Local Entity within the Video Service Area.

√ Local entity contact information is provided in the data sheets on the accompanying CD.

Application Fee

19. Attach to this Application a check in the amount of \$2,000 made payable to the "California Public Utilities Commission."

√ A check for \$2,000 is attached.

Affidavit

20. Complete and submit the affidavit attached as Appendix B to this Application.

√ Signed Affidavit is attached as Appendix B.

A COMPLETE APPLICATION MUST INCLUDE:

- √ **Completed Application form**
- √ **CD(s) containing completed templates available on the Commission website**
- √ **Appendix A: Applicant's Principal Officers**
- √ **Appendix B: Affidavit**
- √ **Check in the amount of \$2,000**

Appendix A

APPLICANT'S PRINCIPAL OFFICERS

as of 11/2/07

| | |
|-------------------------|--|
| Glenn A. Britt | President |
| Landel C. Hobbs | Chief Operating Officer |
| Robert D. Marcus | Senior Executive Vice President |
| Marc Lawrence-Apfelbaum | Executive Vice President & Secretary |
| John K. Martin | Executive Vice President & Treasurer |
| Gerald D. Campbell | Executive Vice President, Technical Operations |
| Ellen East | Executive Vice President & Chief Communications Officer |
| William R. Goetz, Jr. | Executive Vice President |
| Carol Hevey | Executive Vice President |
| Wayne D. Knighton | Executive Vice President |
| Terence D. O'Connell | Executive Vice President |
| Barry S. Rosenblum | Executive Vice President |
| Satish Adige | Senior Vice President, Investments |
| David A. Christman | Senior Vice President & Assistant Secretary |
| Kristine Dankenbrink | Senior Vice President, Tax |
| James Jeffcoat | Senior Vice President, Corporate Services |
| Richard M. Petty | Senior Vice President & Controller |
| Jeffrey Zimmerman | Senior Vice President |
| Mark Wainger | Senior Vice President |
| John Fogarty | Vice President |
| Lisa Lipschitz | Vice President, Operations Accounting |
| Gary Matz | Vice President |
| Raymond G. Murphy | Vice President & Assistant Treasurer |
| William Osbourn | Vice President, Technical Accounting |
| Edward Ruggiero | Vice President & Assistant Treasurer |
| Janice Cannon | Assistant Secretary |
| Riina Tohvert | Assistant Secretary |
| Susan A. Waxenberg | Assistant Secretary |
| Ellen Alderdice | Assistant Treasurer |
| Meredith Garwood | Assistant Treasurer |

Appendix B

AFFIDAVIT

STATE OF California

COUNTY OF Los Angeles

My name is Barry S. Rosenblum. I am Executive Vice President (Title) of C-Native Exchange I, LLC (Company). My personal knowledge of the facts stated herein has been derived from my employment with C-Native Exchange I, LLC (Company).

I swear or affirm that I have personal knowledge of the facts stated in this Application for a California State Video Franchise to provide Video Service, I am competent to testify to them, and I have the authority to make this Application on behalf of and to bind the Company.

I further swear or affirm that C-Native Exchange I, LLC [Name of Applicant] shall fulfill the following requirements:

1. Applicant has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering Video Service in this state.
2. Applicant agrees to comply with all lawful city, county, or city and county regulations regarding the time, place, and manner of using the public rights-of-way, including but not limited to, payment of applicable encroachment, permit, and inspection fees.
3. Applicant will concurrently deliver a copy of this Application to any Local Entity in the Video Service Area.
4. Applicant possesses the financial, legal, and technical qualifications necessary to construct and operate the proposed system and promptly repair any damage to the public rights-of-way caused by Applicant.
5. Applicant is not in violation of any final nonappealable order relating to either the Cable Television and Video Providers Customer Service and Information Act (California Public Utilities Code Article 3.5 (commencing with § 53054) of Chapter 1 of Part 1 of Division 2 of Title 5 of the Government Code) or the Video Customer Service Act (California Public Utilities Code Article 4.5 (commencing with § 53088) of Chapter 1 or Part 1 of Division 2 of Title 5 of the Government Code).

Appendix B

6. If it has not done so in the Application, Applicant shall provide the Commission, no later than 90 calendar days after the date of the Commission's issuance of a State Video Franchise to the Applicant, a complete description of residents' socioeconomic status information, as required by and detailed in Questions 15 and 16 of the Application.

7. If it has not done so in the Application, Applicant shall provide a copy of a fully executed bond in the amount of \$500,000 (five hundred thousand dollars) to the Executive Director prior to initiating video service and no later than 5 business days after the date of Commission issuance of a State Video Franchise to the Applicant,. The bond shall list the Commission as obligee and be issued by a corporate surety authorized to transact a surety business in California.

I further swear or affirm that C-Native Exchange I, LLC [Name of Company] agrees to comply with all federal and state statutes, rules, and regulations, including, but not limited to, the following:

1. As provided in Public Utilities Code § 5890, Applicant will not discriminate in the provision of Video Service.
2. Applicant will abide by all applicable consumer protection laws and rules as provided in Public Utilities Code § 5900.
3. Applicant will remit the fee required by California Public Utilities Code § 5860(a) to the Local Entity.
4. Applicant will provide public, educational, and governmental access channels and the required funding as required by Public Utilities Code § 5870.
5. Applicant and any and all of its Affiliates' operations in California now and in the future shall be included for the purposes of applying Public Utilities Code §§ 5840, 5890, 5960, and 5940. Applicant specifically attests to the following:
 - a. Reporting Requirements: Either (i) Applicant or (ii) the parent company of Applicant shall produce Commission-mandated reports for and on behalf of Applicant and any and all of its Affiliates that operate in California. Only one report required pursuant to Public Utilities Code § 5960 shall be filed annually, such report to include all pertinent data for the Company.

Appendix B

b. Antidiscrimination:

i. If Applicant and its Affiliates together have more than 1,000,000 telephone customers in California, Applicant shall satisfy the build-out requirements set forth in Public Utilities Code § 5890(b) & (e).

ii. If Applicant and its Affiliates together have less than 1,000,000 telephone customers in California, Applicant shall satisfy any build-out requirements established pursuant in Public Utilities Code § 5890(c).

c. Cross-subsidization: If Applicant or its Affiliates provide stand-alone, residential, primary-line basic telephone service, Applicant shall refrain from using any increase of the rate of this service to finance the cost of deploying a network to provide video service.

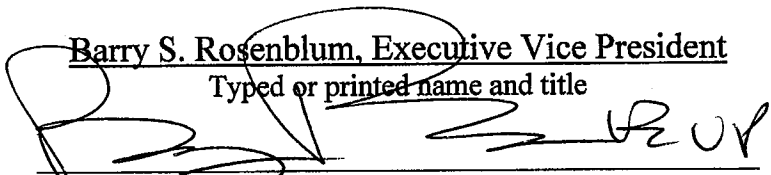
d. "Affiliate," as referenced herein, means any company 5 per cent or more of whose outstanding securities are owned, controlled, or held with power to vote, directly or indirectly either by a state video franchise holder or any of its subsidiaries, or by that state video franchise holder's controlling corporation and/or any of its subsidiaries as well as any company in which the state video franchise holder, its controlling corporation, or any of the state video franchise holder's affiliates exert substantial control over the operation of the company and/or indirectly have substantial financial interests in the company exercised through means other than ownership.

6. Applicant shall fulfill all other requirements imposed by the Digital Infrastructure and Video Competition Act.

7. C-Native Exchange I, LLC [Name of Applicant] is a single identifiable entity that is qualified to do business in California and has verifiable assets. This entity shall accept service of process, either directly or through an agent, and submit to the jurisdiction of California courts.

Appendix B

I swear or affirm that all of the statements and representations made in this Application are true and correct.

Barry S. Rosenblum, Executive Vice President
Typed or printed name and title

Signature and title

SUBSCRIBED AND SWORN to before me on the 6 day of NOV, 2007.

Notary Public In and For the State of California.

My Commission expires: May 12, 2009

(End of Attachment A)

State of California, County of Los Angeles
Subscribed and sworn to (or affirmed) before me
on this 6 day of NOV, 2007.
by Barry S. Rosenblum
personally known to me or proved to me on the
basis of satisfactory evidence to be the person(s)
who appeared before me.
Signature: Leticia Valencia

