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BOARD OF PUBLIC UTILITIES MAIL ROOM

June 17, 2016

## Via Electronic Mail (alex.moreau@dol.lps.state.nj.us) and FedEx Overnight Mail

Alex Moreau, Deputy Attorney General Department of Law and Public Safety Division of Law P.O. Box 45029 124 Halsey Street, 5th Floor Newark, New Jersey 07101



Re: NAAAOM/ESI Appeal Regarding Charter Communications, Inc. and Time Warner Cable Inc. Merger

Appellate Division Docket No. A-3754-15T1

In the Matter of the Petition of Time Warner Cable Inc., Charter Communications, Inc. and Time Warner Cable New York City LLC, for Approval of the Transfer of Control of Time Warner Cable New York, LLC and Approval of Transaction Financing Docket No. CM15070770; and

In the Matter of the Petition of Charter Communications, Inc., and Time Warner Cable Inc., for Approval of the Transfer of Control of Time Warner Cable Information Services (New Jersey), LLC and the Petition of Time Warner Cable Information Services (New Jersey), LLC for Approval of Transaction Financing Docket No. TM15070772

#### Dear Mr. Moreau:

We are in receipt of your email communication dated June 10, 2016, in connection with the above-captioned matters. You have asked whether the Petitioners in this proceeding wish to object on the basis of a confidentiality claim to the dissemination by the Board of Public Utilities ("Board") of either (i) Charter Communications, Inc.'s Annual Report (Form 10-K) for the period ended December 31, 2014 or (ii) the Transaction Documents appended as Exhibit D to the Petition filed in Docket No. TM15070772. We wish to point out that included in Exhibit D was an Annual Report for 2014 provided to the Board by Time Warner Cable Information Services (New Jersey), LLC ("TWCIS"). TWCIS's Annual Report to the Board was marked "Confidential" at the time of its original filing with the Board as well as with respect to its inclusion as part of Exhibit D. Thus, the Petitioners reiterate their request that said Annual Report be maintained in confidence and not be disclosed to National Association of African American Owned Media ("NAAAOM") and Entertainment Studios, Inc. ("ESI") or any other third parties.



The TWCIS Annual Report requires the disclosure of revenues, operating expenses and net income or loss, all of which must be broken down into interstate and intrastate operations. The Annual Report also requires the disclosure of selected statistical data, including the number of access lines (residential and business), average monthly bill (residential and business) and minutes of traffic, as well as the total number of customers served (residential and business). All of the foregoing information is hereby designated the "Confidential Information." The Confidential Information consists of highly sensitive information pertaining to TWCIS's financial condition and operations and is confidential, highly proprietary and non-public. Such information therefore does not constitute a "government record" under N.J.S.A. 47:1A-1.1. Since TWCIS is not a publicly-traded company, the Confidential Information is otherwise not available to the public or to TWCIS's competitors and/or potential competitors or adversaries.

Disclosure of the Confidential Information would have a deleterious effect upon TWCIS in terms of its competitive position. Disclosure would provide competitors, potential competitors and adversaries of TWCIS with inside information about its financial condition and operations that otherwise would not be available to them. Because all of the information for which confidentiality is sought involves commercially sensitive or proprietary data, the disclosure of such information would provide competitors, potential competitors and adversaries with valuable insight into TWCIS's financial strengths and weaknesses. Thus, access to this type of proprietary and sensitive information could provide a strategic advantage to those competitors, potential competitors and adversaries.

The Confidential Information is protected by TWCIS by making it available only to either senior management or such other management or employees who have a need to know such information in order to perform their functions. The Confidential Information may also be made available to TWCIS's lenders or outside accounting and legal professionals. However, to the extent that the Confidential Information has been or may be disclosed to others, TWCIS has done so or will do so by way of a confidentiality agreement, whereby it is or will be agreed by the parties thereto that the Confidential Information: (i) shall be used solely for the purposes relating to the matters specified therein, and (ii) shall be maintained in secure files, separate from public information.

The Confidential Information has not been made a part of nor is it contained in any documents or materials routinely available to the general public, including, without limitation, initial or final orders in contested proceedings, press releases, copies of speeches, pamphlets or educational materials.

For the foregoing reasons, Petitioners request that the Board issue a determination that the Confidential Information is confidential and proprietary and, as such, that it should be exempt from public disclosure, including to NAAAOM and ESI. In that regard, we point out that NAAAOM and ESI have instituted litigation against Charter Communications, Inc., here in New Jersey and elsewhere, and they are therefore adversaries. Disclosure to NAAAOM and ESI would therefore be particularly egregious.

Alex Moreau, Deputy Attorney General June 17, 2016 Page 3

Lastly, we respectfully note that the Petitions in the above-captioned matter, pertaining to Docket No. TM15070772, as well as its companion filing in Docket No. CM15070770, contained other information deemed confidential and proprietary by the Petitioners therein. All of such confidential information should not be disclosed to NAAAOM or ESI or, for that matter, to other third parties.

In accordance with N.J.A.C. 14:1-12.8, and in support of Petitioners' request for confidential treatment, the Petitioners submit herewith the Affidavit of Vincent M. Paladini, Assistant Secretary of TWCIS.

Given the adversarial relationship between NAAAOM and ESI, on the one hand, and the Petitioners, on the other hand, the Petitioners respectfully that any public information provided to NAAAOM or ESI in these matters be provided on the condition that such information be used only in connection with these matters.

It would be appreciated if you would kindly direct any communications concerning this matter to the undersigned. Should you require any additional information or should any questions arise, please do not hesitate to contact me.

It would be also be appreciated if you would kindly date stamp the extra copy of this submission and return same in the self-addressed, stamped envelope provided herein for your convenience.

Very truly yours,

Dennis C. Linken
For the Firm

Dennis Linken 1dp

DCL/dp

enc.

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### STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

NAAAOM/ESI Appeal Regarding Charter Communications, Inc. and Time Warner Cable Inc. Merger

Appellate Division Docket No. A-3754-15T1

In the Matter of the Petition of

TIME WARNER CABLE INC.,

CHARTER COMMUNICATIONS, INC.

and

TIME WARNER CABLE NEW YORK CITY

for Approval of the Transfer of Control of Time Warner Cable New York, LLC and Approval of Transaction Financing

In the Matter of the Verified Petition of

CHARTER COMMUNICATIONS, INC.,

and

TIME WARNER CABLE INC.

For Approval of the Transfer of Control of Time Warner Cable Information Services (New Jersey), LLC

and the Petition of

TIME WARNER CABLE INFORMATION SERVICES (NEW JERSEY), LLC,

For Approval of Transaction Financing

Docket No. CM15070770

Docket No. TM15070772

#### **AFFIDAVIT**

I, Vincent M. Paladini, being of full age and duly sworn according to law, does hereby depose and state as follows:

- 1. I am Assistant Secretary of Time Warner Cable Information Services (New Jersey), LLC ("TWCIS"). As such, I am generally familiar with the manner in which TWCIS's financial records are kept and, hence, its request for confidentiality in this matter.
- 3. In connection with the submission of their Petition in Docket No. TM15070772, Petitioners Charter Communications, Inc. ("Charter"), Time Warner Cable Inc. ("TWC") and TWCIS (together with Charter and TWC, "Petitioners") submitted a copy of an Annual Report for the calendar year 2014 ("Annual Report") filed with the Board of Public Utilities ("BPU" or "Board") by TWCIS.
- 4. It is my understanding that the National Association of African-American Owned Media ("NAAAOM") and Entertainment Studios, Inc. ("ESI") have filed a request with the Board seeking the disclosure of, among other things, the TWCIS Annual Report. The Petitioners assert that said Annual Report should be maintained in confidence and not be disclosed to NAAAOM and ESI or to any other third parties.
- 5. I make this affidavit in accordance with N.J.A.C. 14:1-12:8 to substantiate the Petitioners' claim of confidentiality.
- 6. The TWCIS Annual Report requires the disclosure of revenues, operating expenses and net income or loss, all of which must be broken down into interstate and intrastate operations. The Annual Report also requires the disclosure of selected statistical data, including the number of access lines (residential and business), average monthly bill (residential and business) and minutes of traffic, as well as the total number of customers served (residential and business). All of the foregoing information is hereby designated the "Confidential Information." The Confidential Information consists of highly sensitive information pertaining to TWCIS's financial condition and operations and is confidential, highly proprietary and non-public. Such

information therefore does not constitute a "government record" under N.J.S.A. 47:1A-1.1.

Since TWCIS is not a publicly-traded company, the Confidential Information is otherwise not available to the public or to TWCIS's competitors and/or potential competitors or adversaries.

- 7. Disclosure of the Confidential Information would have a deleterious effect upon TWCIS in terms of its competitive position. Disclosure would provide competitors, potential competitors and adversaries of TWCIS with inside information about its financial condition and operations that otherwise would not be available to them. Because all of the information for which confidentiality is sought involves commercially sensitive or proprietary data, the disclosure of such information would provide competitors, potential competitors and adversaries with valuable insight into TWCIS's financial strengths and weaknesses. Thus, access to this type of proprietary and sensitive information could provide a strategic advantage to those competitors, potential competitors and adversaries.
- 8. The Confidential Information is protected by TWCIS by making it available only to either senior management or such other management or employees who have a need to know such information in order to perform their functions. The Confidential Information may also be made available to TWCIS's lenders or outside accounting and legal professionals. However, to the extent that the Confidential Information has been or may be disclosed to others, TWCIS has done so or will do so by way of a confidentiality agreement, whereby it is or will be agreed by the parties thereto that the Confidential Information: (i) shall be used solely for the purposes relating to the matters specified therein, and (ii) shall be maintained in secure files, separate from public information.
- 9. The Confidential Information has not been made a part of nor is it contained in any documents or materials routinely available to the general public, including, without

limitation, initial or final orders in contested proceedings, press releases, copies of speeches, pamphlets or educational materials.

- 10. TWCIS's Annual Report to the Board was marked "Confidential" at the time of its original filing with the Board as well as with respect to its inclusion as part of Exhibit D to the Petition in Docket No. TM15070772.
- 11. For the foregoing reasons, the Petitioners request that the Board issue a determination that the Confidential Information is confidential and proprietary and, as such, that it should be exempt from public disclosure, including to NAAAOM and ESI. In that regard, I point out that NAAAOM and ESI have instituted litigation against Charter Communications, Inc., in New Jersey and elsewhere, and they are therefore adversaries. Disclosure to NAAAOM and ESI would therefore be particularly egregious.
- 12. The foregoing statements are true and accurate to the best of my information, knowledge and belief.

Sworn and subscribed to before me this

17th day of June, 2016 in the County of Fair fax State of Virginia

Donnes a. Morre

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