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November 26, 2014

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: ***Applications of Comcast Corp., Time Warner Cable Inc., Charter Communications, Inc., and SpinCo for Consent to Assign or Transfer Control of Licenses and Authorizations*, MB Docket No. 14-57**

Dear Ms. Dortch:

On November 25, 2014, Kevin Leddy, Executive Vice President, Corporate Strategy, of Time Warner Cable Inc. ("TWC"); Howard Pfeffer, TWC's Senior Vice President, Broadband Engineering and Technology; along with Steven Teplitz, Michael Quinn, and Terri Natoli of TWC; and Matthew Murchison and the undersigned of Latham & Watkins LLP, met with the Commission staff members copied below and Peter Gray of the Antitrust Division of the U.S. Department of Justice to discuss the business and technical considerations that underpin TWC's Internet traffic-exchange policies and its arrangements with other network providers.

At the meeting, Messrs. Leddy and Pfeffer described the evolution of the Internet traffic-exchange marketplace and discussed TWC's current policies and practices in exchanging Internet traffic with interconnecting network providers. Mr. Pfeffer noted, among other things, that peering arrangements have always involved some mutual exchange of value between the two interconnecting networks. As he explained, when the value exchanged between the networks is roughly in balance, the peering arrangement typically involves no payment in either direction and is said to be "settlement-free." By contrast, where the exchange of value is significantly unbalanced, it has long been standard industry practice for one network to pay the other for peering.

In response to questions from Commission staff, Messrs. Leddy and Pfeffer discussed the types of "value" that network providers obtain from Internet traffic-exchange arrangements. They also described the various costs incurred by TWC in exchanging Internet traffic, and the ways in which those costs factor into TWC's business decisions. In particular, Mr. Pfeffer explained the significant costs that TWC must incur to respond to sudden shifts in traffic flows,

even when such a shift results in no net increase in the Internet traffic being delivered to TWC's network. Mr. Pfeffer also discussed the contractual terms through which TWC and interconnecting networks attempt to achieve some level of predictability as to traffic flows and capacity needs. Mr. Leddy further noted that TWC's negotiations with network providers regarding the exchange of Internet traffic take place in a robustly competitive marketplace—as evidenced by the plummeting price of transit services over the past two decades.

Messrs. Leddy and Pfeffer also addressed other matters relating to the operation and management of TWC's last-mile and backbone networks. Among other things, they responded to questions from Commission staff regarding the transit services provided by TWC to Bright House Networks. They also provided information about TWC's "Essentials Internet" offering, under which subscribers can obtain discounts for voluntarily agreeing to accept monthly usage limits. And they described TWC's approaches to avoiding and addressing network congestion, including by monitoring utilization levels at interconnection points and scheduling network upgrades when usage has reached certain thresholds.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ Matthew A. Brill

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of LATHAM & WATKINS LLP

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