

05-1a2

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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )  
)  
**ADELPHIA COMMUNICATIONS CORPORATION** )  
**Debtor-in-Possession** )  
)  
Transferor, )  
)  
and )  
)  
**TIME WARNER INC.** )  
)  
Transferee, )  
)  
Application for Consent to Transfer )  
Certain Customer Lines and Accounts )  
Operating Pursuant to Blanket Domestic )  
Authority Under Section 214 of the )  
Communications Act of 1934, as Amended )

FGC/MELLON

MAY 19 2005

File No. \_\_\_\_\_

**APPLICATION**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, Adelphia Communications Corporation, Debtor-in-Possession ("Adelphia") and Time Warner Inc. ("Time Warner") (collectively, the "Applicants") hereby request the Commission's consent to transfer certain customer lines and accounts currently provided by operating subsidiaries (the "Carriers") of Adelphia (the "Transferor") to certain wholly-owned subsidiaries of Time Warner (the "Transferee"). The Carriers provide domestic service pursuant to blanket authority under Section 214 and Section 63.01 of the Commission's Rules, 47 C.F.R. § 63.01.

This Application is subject to streamlined treatment pursuant to Section 63.03 of the Commission's Rules, 47 C.F.R. § 63.03(b)(2)(i), because: (1) the proposed

transaction will not result in the Transferee having a market share in any interstate, interexchange market of greater than 10 percent; (2) the Transferee will continue to provide competitive telephone exchange services exclusively in geographic areas serviced by dominant local exchange carriers; and (3) none of the Applicants is dominant with respect to any affected service. Furthermore, the proposed acquisitions will comply with applicable statutes and the Commission's rules and will promote the public interest by enhancing facilities-based competition in the provision of local telephony.

### **INTRODUCTION AND DESCRIPTION OF TRANSACTION**

This application arises from a series of agreements involving Adelphia, Comcast, and Time Warner. As a result of the transactions contemplated by these agreements: (1) Time Warner and Comcast will each acquire various cable systems that, in the aggregate, comprise substantially all of the domestic cable systems now owned or managed by Adelphia (the "Adelphia Transactions"); (2) Time Warner and Comcast will swap certain cable systems, including certain cable systems newly acquired from Adelphia and certain cable systems that they each currently own (the "Swap Transactions"); (3) Time Warner will redeem Comcast's existing equity and partnership interests in Time Warner Cable and Time Warner Entertainment Company, LP, in exchange for the distribution to Comcast of certain cable systems and cash (the "Redemption Transactions"); and (4) Time Warner Cable will emerge as a publicly traded company, voting control of which will continue to be held by Time Warner Inc. In connection with these facilities-based transactions, certain customer lines and accounts provided under 214 authority will be transferred among the parties.

This application, and the applications being filed concurrently herewith, seek Commission consent to accomplish the various transfers necessary to effectuate the Adelphia Transactions, the Swap Transactions, and the Redemption Transactions. A Public Interest Statement and copies of the agreements referenced above are being submitted to the Commission concurrently herewith and can be found in MB Docket 05-192.

This particular application pertains to the Adelphia Transactions. It seeks 214 authority to transfer certain customer lines and accounts provided by Adelphia subsidiaries to various subsidiaries of Time Warner.

#### **INFORMATION REQUIRED BY SECTION 63.04**

##### **I. APPLICANTS AND CONTACT PERSONS**

**Adelphia Communications Corporation,  
Debtor-in-Possession**  
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Greenwood Village, CO 8011

State of Organization: Delaware

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Adelphia's Attorney:  
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**Time Warner Inc.**  
290 Harbor Drive  
Stamford, Connecticut 06902

State of Organization: Delaware

Contact: Julie Y. Patterson, 203-328-0671

Time Warner's Attorney:  
Arthur H. Harding  
Fleischman and Walsh, L.L.P.  
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Suite 600  
Washington, DC 20006  
Telephone: (202) 939-7900  
Fax: (202) 939-7904

## **II. OWNERSHIP**

Time Warner hereby certifies that the entities acquiring the designated subscriber lines and accounts will be indirectly-held, wholly-owned subsidiaries of Time Warner and that no party other than Time Warner (and its wholly-owned intermediate subsidiaries) will own a 10 percent or greater direct or indirect interest in the acquiring entities.<sup>1</sup> Time Warner further certifies that it is not affiliated with a foreign carrier, has no attributable 10 percent or greater interest in a foreign carrier, no foreign entity has an attributable 10 percent or greater interest in Time Warner and that Time Warner does not have an interlocking directorate with any foreign carrier.

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<sup>1</sup> At the current time, Comcast Corporation holds a 17.9% equity interest in Time Warner Cable and a 4.7% limited partnership interest in Time Warner Entertainment Company, L.P. That ownership is now subject to redemption agreements as described in MB Docket 05-192. As stated in a separately filed 214 application being submitted by Comcast Corporation concurrently herewith, Comcast complies with all foreign affiliation restrictions.

### III. CERTIFICATION PURSUANT TO RULES 1.2001 – 1.2003

As evidenced by the signatures to the Application, no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a).

### IV. SERVICES AND GEOGRAPHIC AREAS

Adelphia, through its subsidiary Carriers, offers dedicated transport services, some of which are E-Rate eligible. This Application pertains to certain facilities in Ohio (greater Cleveland metropolitan area and Ripley), Kentucky (Harrodsburg and Richmond), Pennsylvania (Wingate, State College, Lock Haven, Bellefonte and Pleasant Gap), Arizona (Yuma) and certain towns in Southwest New York state.<sup>2</sup>

Time Warner and its affiliates currently provide certain Voice Over Internet Protocol. In addition, Time Warner provides, in very limited areas, traditional switched telephone service that operates pursuant to blanket Section 214 authority.

### V. OTHER COMMISSION APPLICATIONS RELATED TO TRANSACTION

A number of other applications are being filed with the Commission concurrently herewith in connection with the same underlying transactions. These applications are referenced in MB Docket 05-192.

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<sup>2</sup> Adelphia also offers dedicated transport services, some of which are E-Rate eligible, in Buffalo and Niagara, New York which are **not** being transferred with the instant application but will be transferred separately to Comcast subject to an additional Section 214 application being filed today and associated with MB Docket 05-192.

## **VI. SPECIAL CONSIDERATION AND WAIVERS**

Pursuant to Sections 63.04(a)(10) and 63.04(a)(11) of the Commission's Rules, 47 C.F.R. § 63.04(a)(10), 47 C.F.R. § 63.04(a)(11), the applicants are not requesting special consideration or waivers in connection with this transaction.

## **VII. PUBLIC INTEREST**

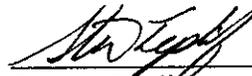
By granting this application, the Commission will service the public interest, convenience and necessity by ensuring continuity of service to the Carrier's customers and promoting competition in the domestic telecommunications services market. A general Public Interest Statement is included in MB Docket 05-192 and is hereby incorporated by reference. Accordingly, the parties respectfully request that the Commission grant the instant Application for transfer of certain customer lines and accounts currently subject to existing blanket domestic Section 214 authority.

## CONCLUSION

For all the foregoing reasons, the Applicants respectfully request that the Commission grant this Application.

Respectfully submitted,

**Time Warner Inc.**



\_\_\_\_\_  
Steven Teplitz  
Vice President and Associate General  
Counsel

5-19-05

Date

**Adelphia Communications Corporation,  
Debtor-in-Possession**

\_\_\_\_\_  
Andrew C. Elson  
Vice President of Regulatory Accounting

\_\_\_\_\_  
Date

## CONCLUSION

For all the foregoing reasons, the Applicants respectfully request that the Commission grant this Application.

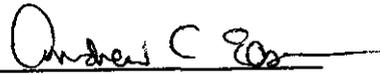
Respectfully submitted,

**Time Warner Cable**

\_\_\_\_\_  
Steven Teplitz  
Vice President and Associate General  
Counsel

\_\_\_\_\_  
Date

**Adelphia Communications Corporation**

  
\_\_\_\_\_  
Andrew C. Elson  
Vice President of Regulatory Accounting

5-18-05  
Date