

Time Warner Cable – FCC Workshop on
Gigabit Community Broadband Networks
March 27, 2013

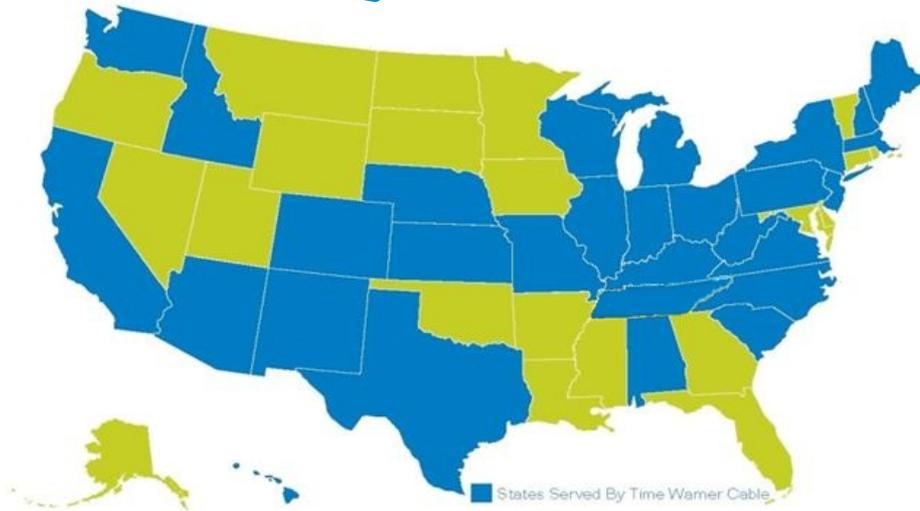


Key Points



- Time Warner Cable offers a broad array of speeds from our Lite Service at 1.5 x 1 Mbps to a 10x10 Gigabit service for large businesses.
- We build the network for those services with a balance of fiber and coax that optimizes the service offerings and the economics, so that pricing can remain reasonable.
- We are also building capacity very rapidly to keep up with a 40-45% CAGR on traffic.
- Our challenge is to ensure that the business model for internet expansion remains viable and to prioritize construction projects accordingly.
- The “New York City Connect” program is an interesting example of a public-private partnership that creates a successful business model for more HSD capacity to be built.

Time Warner Cable is the Nation's Third Largest Wireline ISP



Time Warner Cable Highlights:

Spun off from Time Warner Inc. in 2009

Company Stats

- 15.2 M residential customer relationships
- 10.9 M residential high-speed data customers
- 460,000 commercial high-speed data customers

- Operations in 29 states, with major clusters in:
 - NY State including NYC
 - Ohio
 - The Carolinas
 - Texas
 - California including LA

- 400,000 miles of Hybrid Fiber Coaxial plant
 - 300,000 coax
 - 100,000 fiber

TWC offers a broad range of HSD Speed Tiers and Values



Residential

| Speed (Shared) | Lite | Basic | Standard | Turbo | Extreme | Ultimate 50 | Ultimate 75 |
|----------------------|--------|--------|----------|---------|---------|-------------|-------------|
| Downstream | 1 Mbps | 3 Mbps | 15 Mbps | 20 Mbps | 30 Mbps | 50 Mbps | 75 Mbps |
| Upstream | 1 Mbps | 1 Mbps | 1 Mbps | 2 Mbps | 5 Mbps | 5 Mbps | 5 Mbps |
| % Subscribers | 5% | 5% | 67% | 18% | 1% | <1% | <1% |

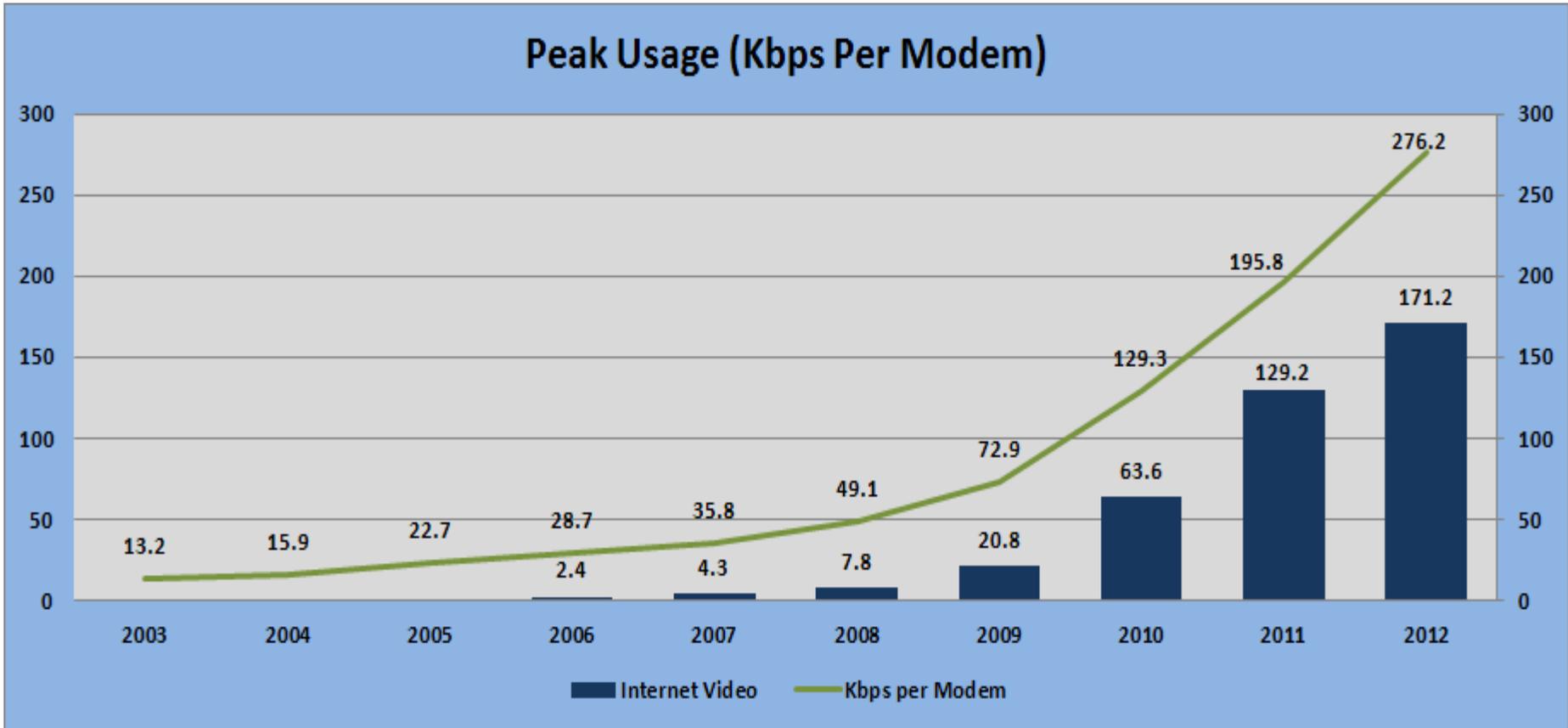
Commercial

| Speed (Dedicated) | Dedicated Internet Access |
|-------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Downstream | 10 Mbps | 20 Mbps | 30 Mbps | 50 Mbps | 100 Mbps | 1 Gbps | 10 Gbps |
| Upstream | 10 Mbps | 20 Mbps | 30 Mbps | 50 Mbps | 100 Mbps | 1 Gbps | 10 Gbps |

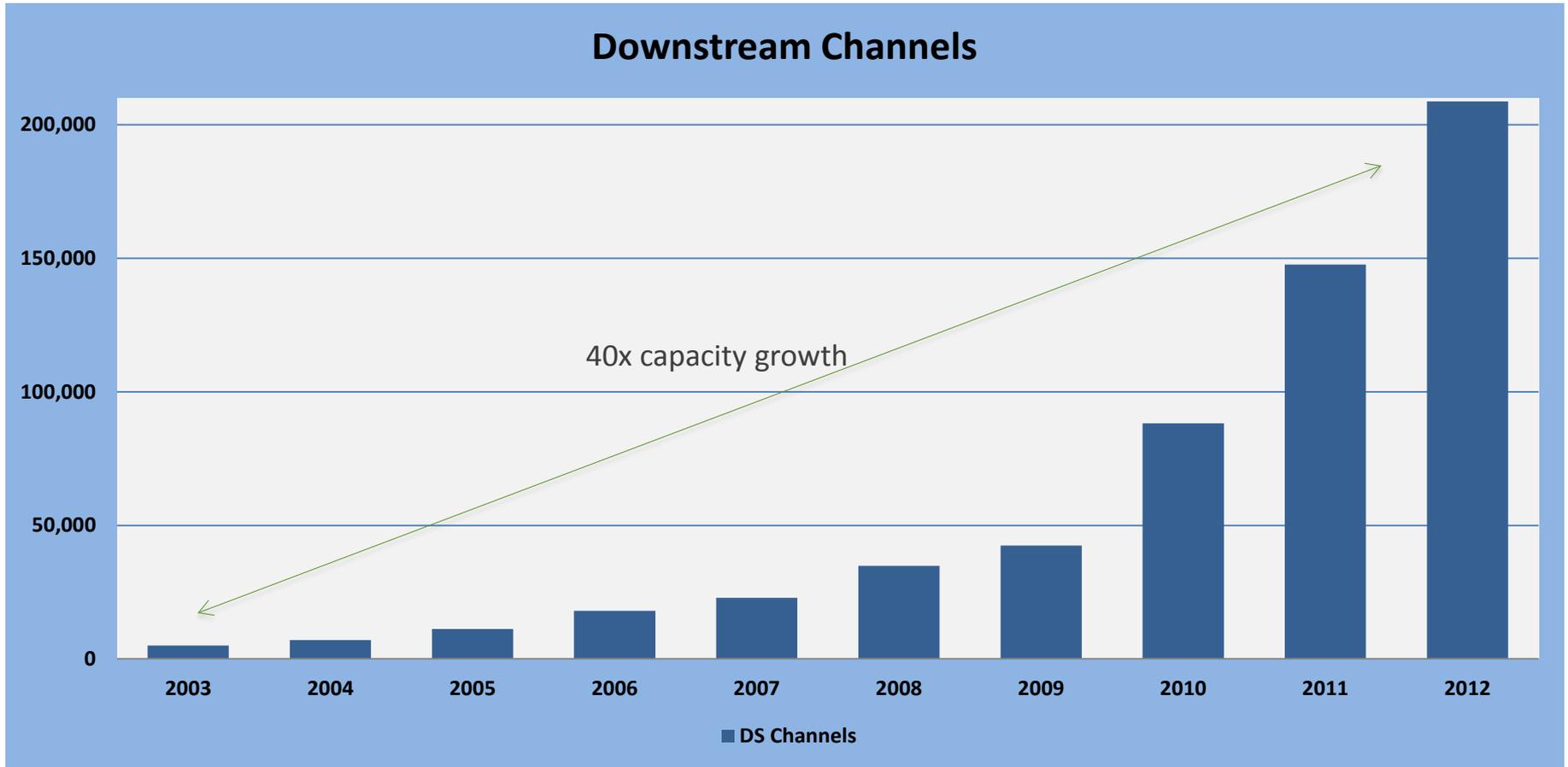
The real challenge for ISPs is traffic growth.

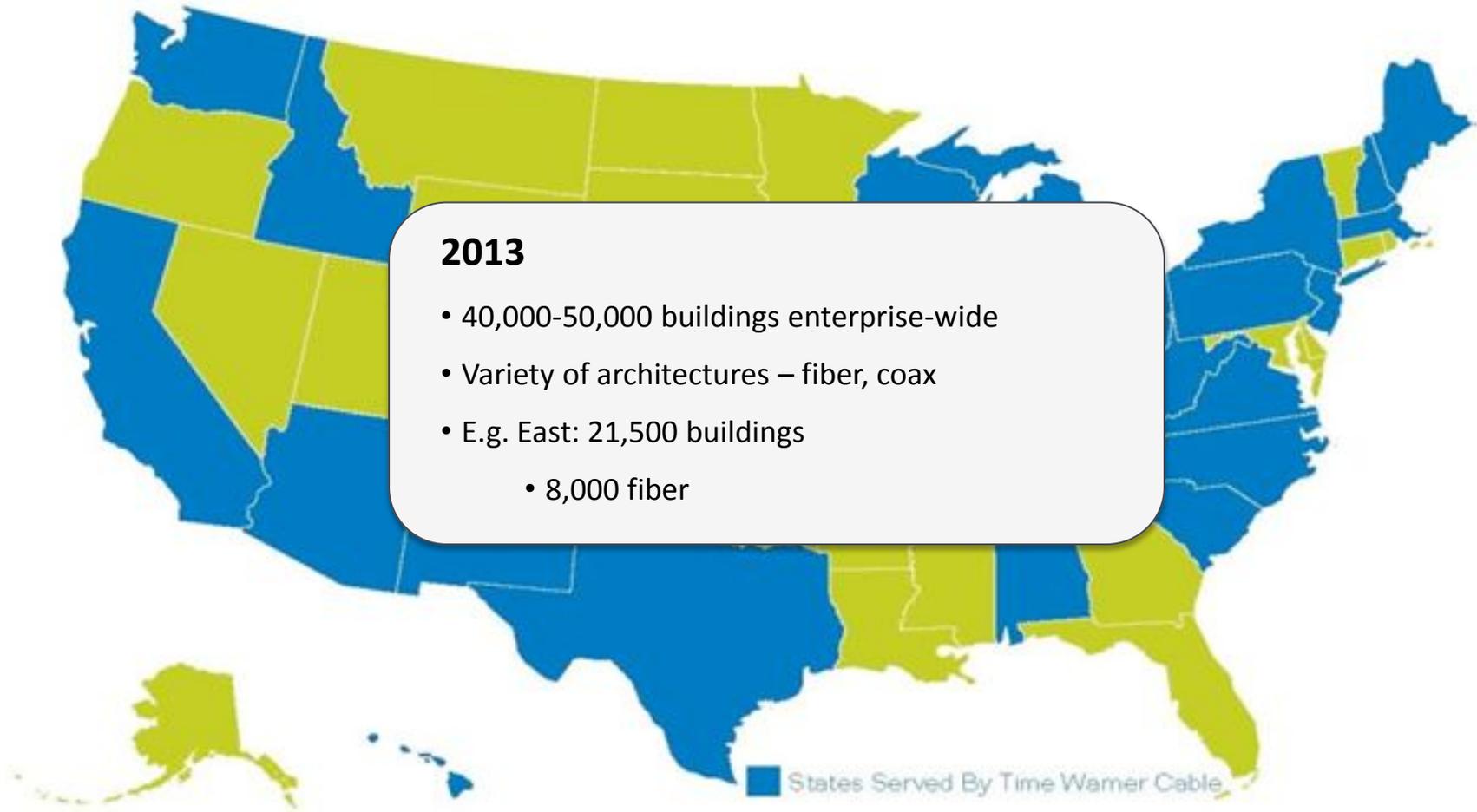


Peak Usage per Sub has grown at a 40% CAGR since 2003

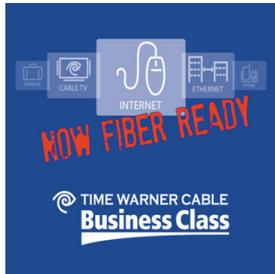


TWC has increased HSD Downstream Capacity 40x since 2003





NYC is a leading example of our proactive network activities



NYC - In the past few years...

- Close to 10,000 new buildings added to the network
- Upwards of 400 miles of Commercial Fiber Infrastructure deployed and strengthened



Location Examples

- South Street Sea Port
- Brooklyn Navy Yard
- Brooklyn Army Terminal
- Bush Terminal
- World Trade Center Site
- Empire State Building
- Metrotech
- CUSP

Working Partnerships

- Downtown Brooklyn Partnership
- Brooklyn Tech Triangle Partnership
- NYC EDC
- NYC Mayor's Office
- Wired NYC
- Connect NYC



New York City Economic Development Corporation

ConnectNYC Program Overview



ConnectNYC FIBER CHALLENGE



Participating ISPs



What is ConnectNYC?

- A competition to build out fiber connectivity for commercial and industrial buildings across the five boroughs
- Created by NYC EDC (Economic Development Corp)

Dates

- Submission start: Oct 19, 2012
- Winners will be announced April 4, 2013

Judging Criteria for Finalists

- Potential impact of fiber on contestant's business (30%)
- Potential to improve broadband infrastructure in underserved areas (40%)
- Potential for industry clustering (30%)

Prizes

- \$7 Million of free fiber build-out to business locations of winning contestants
 - Avg build-out cost per business is \$50,000 and varies depending on location

NYC EDC has helped stimulate interest and demand



ConnectNYC
FIBER CHALLENGE

WIN FREE, HIGH-SPEED FIBER BROADBAND WIRING.

New York City is asking small and medium-sized businesses to apply for free high-speed broadband build-outs at their locations. It's easy to enter and many businesses will be named recipients! An overall value of up to \$7 million is available to eligible businesses.

| | | |
|---|---|--|
| BENEFITS TO BUSINESSES: | BENEFITS TO LANDLORDS: | HOW TO ENTER: |
| <ul style="list-style-type: none">• Connectivity speeds hundreds of times faster than Cable and DSL.• Reliable, steady internet access.• Increased employee productivity.• Better hiring pool as a result of improved marketability. | <ul style="list-style-type: none">• Free broadband upgrade of approximately \$50,000 in value per build-out.• An expandable infrastructure, allowing fiber to be extended to other units.• Potential for higher rental rates.• Higher tenant satisfaction, referrals, and retention rates.• Future-proofed property opens up access to a new tenant market. | <ol style="list-style-type: none">1. Click "Accept this Challenge" on NYC Fiber Challenge.com to register.2. Tell us how fiber connectivity could increase jobs and productivity in your business.3. Find out what your current internet download speed is and enter your application! |

SUBMISSION DEADLINE: DECEMBER 27, 2012

NYCFiberChallenge.com

Follow @nycedc on Twitter
Use hashtag #ConnectNYC

The ConnectNYC Fiber Challenge is open to commercial or industrial businesses with fewer than 100 employees that lease, sublease, or own an office location in NYC. If a contestant wins, a one-year service contract with a participating ISP is required. For full details, see NYC Fiber Challenge.com/rules.

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NYCEDC
New York City Economic Development Corporation

Resources

- Website (NYCFiberChallenge.com)
- Flyers
- Email/letter template for businesses to use to notify their landlords
- Information Workshop w/NYC EDC representatives
- Social media – Twitter, Facebook

Follow @nycedc on Twitter
Use hashtag #ConnectNYC