

ORIGINAL

NEW APPLICATION



0000153877

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

2014 MAY -2 P 2:23

Arizona Corporation Commission
DOCKETED

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

AZ CORP COMMISSION
DOCKET CONTROL

MAY -2 2014

DOCKETED BY
nr

IN THE MATTER OF THE JOINT APPLICATION OF
TIME WARNER CABLE INFORMATION SERVICES
(ARIZONA), LLC, DBA TIME WARNER CABLE,
TIME WARNER CABLE BUSINESS LLC, DBA
TIME WARNER CABLE, AND COMCAST PHONE
OF ARIZONA, LLC, DBA COMCAST DIGITAL
PHONE

Docket Nos. T-20449A-14-0147
T-20879A-14-0147
T-04293A-14-0147

**AFFILIATED INTEREST
RULES APPLICATION**

(Expedited Consideration Requested)

FOR A LIMITED WAIVER OF THE AFFILIATED
INTEREST RULES PURSUANT TO A.A.C. R14-2-
806 OR ALTERNATIVELY FOR EXPEDITED
APPROVAL TO REORGANIZE UNDER A.A.C. R14-
2-803

Pursuant to A.A.C. R14-2-801, *et seq.* (the "Affiliated Interest Rules"), Time Warner Cable Information Services (Arizona), LLC, d/b/a Time Warner Cable ("TWCIS"), Time Warner Cable Business LLC, d/b/a Time Warner Cable ("TWCB," and together with TWCIS, "the Time Warner Cable Subsidiaries"), and Comcast Phone Of Arizona, LLC, d/b/a Comcast Digital Phone ("Comcast Phone") (collectively, the "Applicants"), on behalf of their parent corporations, Time Warner Cable Inc. ("Time Warner Cable") and Comcast Corporation ("Comcast"), seek a Limited Waiver of the A.A.C. R14-2-803 pursuant to A.A.C. R14-2-806 or, alternatively, request expedited approval under A.A.C. R14-2-803 of Comcast's proposed indirect acquisition of TWCIS and TWCB as a result of its merger with Time Warner Cable Inc. (the "Transaction"). Pursuant to A.A.C. R14-2-806, the requested Limited Waiver is in the public interest and should be granted because: (1) the Transaction presents no risks for, or impacts on, Time Warner Cable's and Comcast's Arizona operating subsidiaries or their customers; (2) the Transaction will strengthen Comcast Phone's, TWCIS' and TWCB's financial structure and in no way diminish access to capital; (3) the

1 Transaction will advance competition for business voice and data services, as well as the provision
2 of wireless backhaul; and (4) the waiver will conserve the Commission's and parties' resources.
3 The Applicants request expedited consideration of this Application pursuant to A.A.C. R14-2-806.
4 Alternately, the Applicants request that the Commission grant approval of the Transaction under
5 A.A.C. R14-2-803.

6 **DESCRIPTION OF THE PARTIES**

7 **A. Time Warner Cable, TWCIS and TWCB**

8 Time Warner Cable is a publicly traded Delaware corporation with its headquarters located at
9 60 Columbus Circle, New York, New York 10023-5860. Time Warner Cable is a leading provider
10 of video, high-speed Internet, and voice services to residential and business customers. Its network
11 facilities cover portions of 31 states, including Arizona, and it faces strong competition in each of
12 those areas for all of its services. Time Warner Cable's broadband infrastructure has enabled it,
13 through its operating subsidiaries, to provide interconnected Voice over Internet Protocol ("VoIP")
14 services in most of its geographic footprint. Indeed, Time Warner Cable was the first multi-system
15 cable operator – and one of the first service providers – to introduce a mass-market, facilities-based
16 VoIP service, then called Digital Phone, bringing a reliable, feature-rich, competitive voice
17 alternative to residential and business consumers. The names and business addresses of the officers
18 and directors of Time Warner Cable are attached as Exhibit A.

19 TWCIS is a wholly-owned subsidiary of Time Warner Cable and a limited liability company
20 organized under the laws of the state of Delaware. Its principal office is located at 60 Columbus
21 Circle, New York, New York 10023. TWCIS is authorized in Arizona to provide resold and
22 facilities-based local exchange and resold and facilities-based long distance telecommunications
23 services pursuant to Commission Decision No. 71169 (issued June 30, 2009) in Docket No. T-
24 20449A-08-0044, which granted a Certificate of Convenience & Necessity ("CC&N") to TWCIS.

25 TWCB is a member-managed Delaware limited liability company and an indirect, wholly
26 owned subsidiary of Time Warner Cable Inc. As with TWCIS, TWCB's principal office is located
27 at 60 Columbus Circle, New York, New York 10023. On March 27, 2013, TWCB filed an
28 application with the Commission for a CC&N to offer Facilities-Based Long Distance

1 Telecommunications Services and Private Line Services to commercial customers. The application
2 was assigned to Docket No. T-20879A-13-0083. TWCB is a competitive telecommunications
3 company that intends to offer commercial customers High Capacity Transmission Services to
4 provide point-to-point, point-to-multipoint and multipoint-to-multipoint non-voice dedicated
5 connections between one or more customer-designated locations and/or the Company utilizing
6 Ethernet interfaces, optical fiber and/or coaxial cable facilities. On February 5, 2014, Commission
7 Staff submitted a report recommending approval of the CC&N. A hearing on the application was
8 held on April 30, 2014. TWCB expects that it will be issued the requested CC&N within the next
9 few months, at which point it will begin offering the above-described services to commercial
10 customers in Arizona.

11 Time Warner Cable, through its subsidiaries, provides its competitive voice services using
12 VoIP technology to residential and business customers in Arizona. Time Warner Cable, through its
13 cable and other subsidiaries, offers a wide array of video and high-speed data voice services, all in
14 competition with the incumbent local exchange carriers (“ILECs”) and other service providers.
15 Once certificated, TWCB will offer a variety of services to business customers, including high-
16 capacity transmission services (such as Metro Ethernet) in competition with the ILECs and other
17 service providers. In addition, TWCB will offer wholesale services to wireless providers for cell
18 tower backhaul and to other service providers. The companies offer these services using the
19 facilities of Time Warner Cable, as well as, if necessary, third-party infrastructure. Retail customers
20 range from small businesses with a single location to medium-sized and enterprise businesses with
21 multiple locations as well as government, education, and non-profit institutions.

22 In Arizona, Time Warner Cable through its operating subsidiaries provides services in Yuma
23 County.

24 B. Comcast

25 Comcast is a publicly traded corporation organized under the laws of Pennsylvania. Its
26 principal offices are located at One Comcast Center, Philadelphia, Pennsylvania 19103-2838.
27 Comcast is a global media and technology company with network facilities covering portions of 39
28 states and the District of Columbia. No individual or company holds, directly or indirectly, a ten

1 percent or greater equity interest in Comcast.¹ The names and business addresses of the officers and
2 directors of Comcast are attached as Exhibit B. Comcast is a leading provider of video, high-speed
3 Internet, digital voice, and other next-generation services and technologies to residential customers
4 and small- and medium-sized businesses. Having consistently invented, developed, deployed, and
5 improved a wide range of new technologies and services, Comcast has established a reputation as an
6 industry leader in communications, technology, financial performance, and operational efficiency.

7 Through its subsidiaries, Comcast currently provides voice services to approximately
8 10.8 million customers, including residential and business subscribers. Using VoIP technology,
9 Comcast provides competitive facilities-based voice services to deliver digital-quality phone service,
10 plus enhanced features that are integrated with other Comcast services.

11 Comcast, through its VoIP operating subsidiary, Comcast IP Phone, LLC, offers competitive
12 residential and commercial VoIP services to its customers in Arizona. Further, through its
13 certificated Arizona operating subsidiary Comcast Phone, Comcast provides resold long distance,
14 resold local exchange and facilities-based long distance and local exchange telecommunications
15 services in Arizona. *See* Decision No. 69408 (issued April 16, 2007) in Docket No. T-04293A-04-
16 0870 (granting CC&N to Comcast Phone of Arizona, LLC).

17 Comcast is active in the wholesale business market, particularly with respect to cellular
18 backhaul services for wireless carriers.

19 In Arizona specifically, Comcast's VoIP subsidiary, Comcast IP Phone, LLC, serves state
20 residents in the geographic areas of Pima and Pinal counties.

21 **BACKGROUND AND DESCRIPTION OF THE TRANSACTION**

22 Comcast has entered into an agreement with Time Warner Cable whereby Comcast will
23 acquire 100 percent of Time Warner Cable's equity in exchange for Comcast Class A shares
24 ("CMCSA"). The proposed Transaction is a straightforward acquisition of Time Warner Cable. As
25 illustrated in the structure charts included in Exhibit C, at the closing of the transaction, Tango

26
27 ¹ Brian L. Roberts, Comcast's Chairman and Chief Executive Officer, has or is attributed with the power to vote stock
28 that represents 33-1/3 percent of the voting power of Comcast's voting common stock. Mr. Roberts's voting interest is
held primarily through his control of BRCC Holdings, LLC, a Delaware limited liability company of which he is the sole
Manager. No other individual or entity has or is attributed with, directly or indirectly, a ten percent or greater voting
interest in Comcast.

1 Acquisition Sub, Inc. ("Merger Sub"), a new direct wholly owned subsidiary of Comcast, will merge
2 with Time Warner Cable under Delaware law. At that time, the separate corporate existence of
3 Merger Sub will cease, and, thereafter, Time Warner Cable will be a wholly owned subsidiary of
4 Comcast. Contemporaneously with the merger, each Time Warner Cable share will be converted
5 into the right to receive 2.875 shares of CMCSA.

6 Given that this Transaction is occurring at the holding company level it will not result in
7 consolidation of the Time Warner Cable and Comcast operating entities, and no customers will be
8 transferred to a different service provider as a result of this Transaction.² Comcast's acquisition of
9 Time Warner Cable will not change the direct ownership or operation of the Time Warner Cable
10 Subsidiaries. In addition, the Transaction will have no impact on the rates, terms or conditions of
11 these subsidiaries in Arizona. It is therefore anticipated that the change in indirect ownership of
12 TWCIS and TWCB will be seamless to Arizona customers.

13 Neither the assets nor the equity capital of the Arizona operating subsidiaries will be pledged,
14 encumbered or otherwise affected by the Transaction. Finally, because this Transaction will not in
15 any way detrimentally impact Comcast Corporation's and Time Warner Cable's (as well as their
16 operating subsidiaries') cash flow, as a result of increased economies of scale and scope, their
17 financial status will not be impaired by this Transaction.

18 **BENEFITS OF THE TRANSACTION**

19 This Transaction will generate substantial public interest benefits, with no countervailing
20 harms, and thus warrants approval. The Time Warner Cable Subsidiaries will continue to offer
21 competitive services in Arizona following consummation of the Transaction.

22 The Transaction will promote the deployment of advanced voice services and enhance
23 competition in the voice marketplace. By permitting Comcast and Time Warner Cable to combine
24 the best aspects of their robust and innovative voice services, and by adding scale to Comcast's
25 overall business that will encourage more network investment in Arizona, approval of this
26
27

28 ² All applicable regulatory requirements will be complied with should any transfer of customers or change to rates, terms or conditions of service change in the future.

1 Transaction will leave the merged company better positioned to offer an array of advanced voice
2 services in competition with ILECs and other providers.

3 A. The Transaction Will Improve Competition for Residential Voice Services

4 Approval of this Transaction will provide voice service customers in Arizona with a more
5 robust competitor, leading to improved services and choices for consumers. Recent network
6 investments have expanded dramatically the features available to XFINITY Voice customers served
7 by Comcast. Comcast has moved to a new advanced and flexible IP Multimedia Subsystem (“IMS”)
8 network architecture. This architecture enables customers to access the service from different
9 locations using a variety of methods and networks, including not only the wired connections
10 provided by Comcast, but also Wi-Fi connections and public Internet connections provided by third
11 parties, whether wired or wireless. For example, it enables “Voice 2go,” which allows users to place
12 calls over a Wi-Fi or data connection from their Comcast-assigned telephone numbers using an app
13 downloaded to a mobile device, and to receive calls to their home numbers at multiple locations and
14 on multiple devices using the “Advanced Call Forwarding” feature. Combining these features with
15 Time Warner Cable’s already strong VoIP product will produce an advanced, state-of-the art
16 offering.

17 Over time, the Applicants anticipate incorporating the best aspects of both of their voice
18 products to create a better experience for both companies’ customers. This will enhance the
19 competitive landscape in Arizona through a wider and expanding set of residential voice services.

20 B. The Transaction Will Improve Competition for Business Voice and Data Services

21 Businesses of all sizes will benefit from a substantial increase in much-needed competition
22 and the accelerated deployment of advanced services. A unified presence in Arizona will enable the
23 combined company to offer a more comprehensive set of competitive service options throughout a
24 larger footprint, which would be especially valuable to business customers that have multiple
25 locations within the State.

26 ***Medium and Enterprise Business Customers.*** The Transaction will increase competition for
27 medium-sized and enterprise business customers. The Transaction will provide an opportunity for
28 the combined company to offer new competition in these market segments.

1 Beyond the significant benefits driven by larger scale, the combined company will be able to
2 compete more effectively for medium-sized and enterprise business customers by combining
3 Comcast's and Time Warner Cable's respective product offerings into a "best of the best" service
4 portfolio, thereby capitalizing on their complementary strengths and marketing expertise.

5 For example, Comcast currently offers some services to business customers that Time
6 Warner Cable does not, including Comcast's Business VoiceEdge ("BVE"), which provides web-
7 based PBX functionality with a host of nomadic features. This includes a "Be Anywhere" feature
8 that allows customers to make and receive calls from any device at any location with one phone
9 number, and to use 4-digit extensions to contact colleagues from their mobile phones. BVE also
10 includes "Teleworker," which enables seamless integration of remote and work-at-home employees
11 into a company's phone infrastructure. Comcast was recently listed as a Leading Hosted VoIP
12 Provider on the Infonetics Research 2013 North America Business VoIP Service Leadership
13 Scorecard.³

14 Meanwhile, Time Warner Cable, through its NaviSite subsidiary, provides a range of cloud-
15 based solutions that appeal to medium-sized and enterprise businesses, including customized
16 managed hosting, managed application, and message solutions, along with other related IT solutions
17 and professional services.⁴ Time Warner Cable also offers Session Initial Protocol ("SIP") trunking,
18 data center services, and other high-end business services products, and has received a "Metro
19 Ethernet Forum" 2.0 Certification in all eight Ethernet product categories.⁵ Combining the
20 complementary products and services offered by Comcast and Time Warner Cable under a single
21 company will enhance competition in business services in a way neither company can do today.

23
24 ³ Press Release, Infonetics, Infonetics Scoreboard Ranks Comcast, Verizon, 8x8, XO Top N. American Business VoIP
Providers, IP Connectivity Becoming Commodity (May 14, 2013), <http://www.infonetics.com/pr/2013/North-America-Business-VoIP-Scorecard.asp>.

25 ⁴ See <http://www.navisite.com/>.

26 ⁵ See *The MEF Certification Program*, MEF, <http://www.metroethernetforum.org/certification/mef-certification-programs> (last visited Mar. 30, 2014). Comcast was the first service provider to receive CE2.0 certification. See
27 *Comcast Business Services is World's First CE 2.0 Service Provider*, Telecom Review, http://telecomreviewna.com/index.php?option=com_content&view=article&id=334:comcast-business-services-is-worlds-first-ce-20-service-provider&catid=1:latest-news&Itemid=62 (last visited Apr. 2, 2014). Comcast is certified in
28 six of the eight CE 2.0 categories.

1 **Wireless backhaul services.** With mobile data traffic growing incredibly rapidly, wholesale
2 wireless backhaul is also an emerging and significant service that the combined company will be
3 better positioned to provide. Comcast and Time Warner Cable have both recognized the growing
4 need for wireless carriers to transport wireless traffic from their cell towers on high-capacity fiber
5 facilities to make the mobile broadband ecosystem work more efficiently and reliably and provide
6 better service to customers. Yet Comcast's and Time Warner Cable's current shares in this segment
7 are small: the companies together had only an estimated 2.8 percent national market share in 2013.

8 As with the medium-sized and enterprise segments discussed above, the Transaction will
9 make the combined company a more effective wireless backhaul competitor to the ILECs due to:

- 10 • Improved network reach that will allow the company to serve a much higher
11 proportion of a mobile operator's sites;
- 12 • Improved operations resulting from consistency in approach and technology on a
13 larger fraction of mobile operator's sites;
- 14 • Increased ability to build out fiber and invest in wireless backhaul infrastructure
15 because of additional scope and scale; and
- 16 • Increased number of on-net locations, which will allow the operating cash flow from
17 those sites to be re-invested in plant expansion to marginal sites.

18 With the inclusion of Time Warner Cable's assets, knowledge and expertise, the combined
19 company will be better positioned to offer mobile operators the services they want in more locations,
20 enhancing consumer welfare in Arizona.

21 **Small business customers.** Comcast recognized the opportunity to serve small business
22 customers' voice and data needs several years ago, and since 2006 has aggressively extended its
23 network to enable it to offer small businesses a competitive alternative for their data, voice, and
24 video needs. Comcast moved swiftly to develop business-class billing, provisioning, and customer
25 interface systems. It recruited an aggressive sales force and built the required service delivery and
26 service assurance expertise and systems. And it brought to thousands of pharmacies, barber shops,
27 dry cleaners, and restaurants a value proposition that was far better than what was previously
28 available. Comcast's investments and innovations in this area have led to growing marketplace
success. And the company has won several awards for its small business services, including the

1 Leading Lights Award last year for Most Innovative SMB Service and the Hosted VoIP leader
2 award in 2012 and 2013.

3 Time Warner Cable also robustly serves the small business segment in its footprint. As in
4 the case of Comcast, this market segment accounts for the majority of Time Warner Cable's business
5 services revenue. But Time Warner Cable also has more experience providing advanced services to
6 medium-sized and enterprise businesses because of its presence in the New York and Los Angeles
7 markets, and an earlier start.

8 Analyst reports have underscored aggressive price competition by Comcast and Time Warner
9 Cable in the small and medium-sized business segments, with a 2013 research report noting that new
10 entry was decreasing Ethernet pricing for business by 10 percent or more a year.⁶ The combined
11 company will be an even more effective competitor against established incumbent providers. The
12 combined investments and network upgrades that are necessary to serve medium-sized, enterprise,
13 and wholesale wireless backhaul customers across the combined company footprint will also inure to
14 the benefit of small business (and residential customers as well). Since products developed for the
15 medium-sized or enterprise segments can often be offered to or repackaged for small businesses,
16 new product development driven by greater competition for larger businesses will also benefit small
17 business customers. Small businesses will also enjoy the "spillover effects" from the combined
18 company's investments and plant upgrades made to serve larger businesses.

19 C. The Transaction Will Not Reduce Competition in Arizona.

20 While the Transaction will increase Time Warner Cable's and Comcast's ability to bring
21 competition to a variety of market segments in Arizona, it will not reduce competition because Time
22 Warner Cable and Comcast do not compete directly with one another. In addition, residential and
23 business customers have numerous competitive alternatives for telephone services. Residential
24

25 ⁶ Insight Research Corp., *US Carriers and Ethernet Services, 2013-2018*, at 5 (Aug. 2013); see also TeleGeography,
26 *Global Enterprise Networks: Enterprise Service Pricing*, at 16 (Jan. 2013) ("Median Ethernet market prices remain
27 volatile, fluctuating considerably year to year. . . . With this said however, the long-term price trend is clearly down.");
28 *id.* at 20 ("As a growing number of carriers offer the service, [Virtual Private LAN Service] prices continue to decline.");
Craig Galbraith, *CableCos Gain Ground in Ethernet, But AT&T, Verizon Still Lead*, Channel Partners, Feb. 12, 2014,
<http://www.channelpartneronline.com/news/2014/02/cablecos-gain-ground-in-ethernet-but-at-t-verizon.aspx> ("Cable
companies have developed a winning formula for the U.S. business Ethernet market. They are successfully leveraging
their on-net fiber footprints to offer aggressive pricing and rapid service provisioning.").

1 voice competitors include traditional providers of phone service such as ILECs and other
2 competitive local exchange carriers (“CLECs”), providers of fixed and nomadic VoIP services, as
3 well as Vonage and other over-the-top voice service options, and the strong trend in telephony
4 toward wireless substitution of fixed telephone lines. Other providers of high-capacity business and
5 wireless backhaul services include the ILECs as well as large CLECs such as Level 3. The
6 Transaction will not result in the combined company holding a dominant share of the market in
7 Arizona for any of these services.

8 D. The Transaction Will Be Seamless to Customers

9 Furthermore, because the Transaction will be conducted at the holding company level, it will
10 be seamless to Time Warner Cable customers. This application does not request authority for the
11 transfer of customers or the assignment or discontinuance of any certificate.

12 **PUBLIC INTEREST CONSIDERATIONS**

13 Under the Affiliated Interest Rules, Commission approval is required per A.A.C. R14-2-
14 803(A) whenever a Class A public utility or an affiliate of that public utility intends to reorganize an
15 existing public utility holding company. “Reorganize” is defined broadly under the Affiliated
16 Interest Rules to include “[t]he acquisition or divestiture of a financial interest in an affiliate or a
17 utility, or reconfiguration of an existing affiliate or utility’s position in the corporate structure or the
18 merger or consolidation of an affiliate or a utility.” A.A.C. R14-2-801(5). As described by the
19 Commission, the purpose of the Affiliated Interest Rules are fourfold: (i) to prevent the commingling
20 of “utility funds” with “non-utility funds;” (ii) to prohibit the cross-subsidization of non-utility
21 activities by utility ratepayers; (iii) to avert any negative impact of non-utility activities on a utility’s
22 financial credit; and (iv) to ensure that the utility and its affiliates provide the Commission with the
23 information necessary to “carry out its regulatory responsibility.”⁷ When the Affiliated Interest Rules
24 were adopted, the Commission understood that the requirements contained in these Rules would not
25 be applicable in some instances, and as a result, authorized waiver of the Affiliated Interest Rules if
26 to do so would be in the public interest. A.A.C. R14-2-806(A).

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⁷ See Concise Explanatory Statement, proposed Affiliated Interest Rules, Docket No. R-0000-89-194.

1 This Transaction does not raise any of the stated concerns of the Commission in adopting the
2 Affiliated Interest Rules and thus a Limited Waiver of such rules serves the public interest. The
3 Transaction involves no financing commitments or requirements on the part of the Arizona operating
4 subsidiaries (i.e., the Arizona operating subsidiaries of Time Warner Cable and Comcast
5 Corporation, as described above). Neither the assets nor the equity capital of the Arizona operating
6 subsidiaries will be pledged, encumbered or otherwise affected. Given the foregoing, no
7 commingling of utility funds with non-utility funds will occur and there will be no cross-
8 subsidization of non-utility activities by the customers of the Arizona operating subsidiaries, where
9 applicable.

10 Additionally, the Transaction will not have a negative impact on the financial credit of the
11 Arizona operating subsidiaries, nor will the Transaction affect the Arizona operating subsidiaries'
12 access to, or cost of, capital. The Arizona operating subsidiaries will continue to have the same or
13 better access to funding from Comcast Corporation.

14 To further support the public interest, the Applicants add that there will be no change in the
15 direct ownership of the Arizona operating subsidiaries as a result of the Transaction. The
16 Transaction also will not change the current method of tax allocation to the Arizona operating
17 subsidiaries.

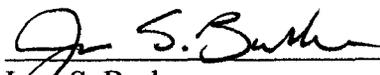
18 Moreover, the Transaction will not impact customer service levels or any other operational
19 matters of the Arizona operating subsidiaries. The Transaction also will not require customers to
20 change carriers or result in any assignment of authorizations.

21 In conclusion, a Limited Waiver of the Affiliated Interest Rules, or alternatively expedited
22 approval of the Transaction serves the public interest given that this Transaction will not impact the
23 customers of the Arizona operating subsidiaries, and will only serve to improve the Applicants'
24 financial standing.

25 WHEREFORE, having fully stated their Application, the Applicants request that the
26 Commission – either affirmatively or by operation of law – grant a Limited Waiver of the Affiliated
27 Interest Rules in connection with the Transaction or approval of the Transaction described herein.
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RESPECTFULLY SUBMITTED this 2nd day of May, 2014.

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Counsel for Comcast Phone of Arizona, LLC
and Comcast Corporation

1 **Original and 13 copies** filed this
2 2nd day of May, 2014 with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, AZ 85007

7 **Copies** of the foregoing delivered
8 this 2nd day of May, 2014 to:

9 Commissioner Bob Stump, Chairman
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, AZ 85007

13 Commissioner Gary Pierce
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VERIFICATION

I, Lynn R. Charytan, declare the following:

I am the Senior Vice President, Legal Regulatory Affairs, of Comcast Corporation, the parent company of the Applicant Comcast Phone of Arizona, LLC in this matter, and am authorized to make this verification. I have personal knowledge of the facts stated in the attached Application for a Limited Waiver of the Affiliated Interest Rules Pursuant to R14-2-806 or Alternatively For Expedited Approval to Reorganize Under A.A.C. R14-2-803, and, to the best of my knowledge, information and belief, such facts are true.

I declare, under penalty of perjury, that the foregoing verification is true and correct.

Executed this 1st day of May, 2014

Comcast Corporation

By: *Lynn R. Charytan*
Lynn R. Charytan

SUBSCRIBED AND SWORN TO before me this 1st day of May, 2014.

Shanica Mayo
Notary Public

My Commission Expires:

2/14/2017

SHANICA MAYO
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires February 14, 2017



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VERIFICATION

I, Julie Laine, declare the following:

I am the Group Vice President & Chief Counsel, Regulatory, of Time Warner Cable Subsidiaries, the parent company of the Applicants Time Warner Cable Information Services (Arizona), LLC, and Time Warner Business Cable LLC, in this matter, and am authorized to make this verification. I have personal knowledge of the facts stated in the attached Application for a Limited Waiver of the Affiliated Interest Rules Pursuant to R14-2-806 or Alternatively For Expedited Approval to Reorganize Under A.A.C. R14-2-803, and, to the best of my knowledge, information and belief, such facts are true.

I declare, under penalty of perjury, that the foregoing verification is true and correct.

Executed this 1st day of May 2014

Time Warner Cable, Inc.

By: Julie P. Laine
Julie Laine

SUBSCRIBED AND SWORN TO before me this 1st day of May, 2014.

Sue Ellen Dockery
Notary Public

My Commission Expires:

10-3-17

SUE ELLEN DOCKERY
Notary Public, State of New York
Registration No. 01DO6134442
Qualified in Kings County
Certificate Filed in New York County
Commission Expires October 3, 2017

EXHIBIT A

**TIME WARNER CABLE INC.
DIRECTORS LIST
as of 5/01/2014**

Directors

Carole Black
Glenn A. Britt
Thomas H. Castro
David C. Chang
James E. Copeland, Jr.
Peter R. Haje
Donna A. James
Don Logan
Robert D. Marcus
N.J. Nicholas, Jr.
Wayne H. Pace
Edward D. Shirley
John E. Sununu

The Address for all Directors is:

Time Warner Cable, Inc.
60 Columbus Circle
17th Floor
New York, NY 10023

EXHIBIT A

TIME WARNER CABLE INC. CORPORATE OFFICERS LIST

as of 5/01/2014

Executive Officers*

Robert D. Marcus	Chairman & Chief Executive Officer
Ellen East	Executive Vice President & Chief Communications Officer
Dinesh C. Jain	Chief Operating Officer
Marc Lawrence-Apfelbaum	Executive Vice President, General Counsel & Secretary
Gail MacKinnon	Executive Vice President & Chief Government Relations Officer
Arthur T. Minson, Jr.	Executive Vice President & Chief Financial Officer
Peter C. Stern	Executive Vice President & Chief Strategy, People and Corporate Development Officer

Non-Executive Officers

Joan Gillman	Executive Vice President & Chief Operating Officer, Media Services
Michael T. Hayashi	Executive Vice President, Architecture, Development and Engineering
Jeffrey Hirsch	Executive Vice President & Chief Marketing and Sales Officer, Residential Services
John Keib	Executive Vice President & Chief Care and Technical Operations Officer, Residential Services
Michael L. LaJoie	Executive Vice President & Chief Technology and Network Operations Officer
Kevin J. Leddy	Executive Vice President, Corporate Strategy
Philip Meeks	Executive Vice President & Chief Operating Officer, Business Services
Melinda Witmer	Executive Vice President, Chief Video Officer & Chief Operating Officer, Time Warner Cable Networks
Stephanie Anderson	Senior Vice President & Chief Marketing Officer, Business Services
Michael Angus	Senior Vice President & General Manager, Video
Kelly Atkinson	Senior Vice President, Marketing - Get
James Braun	Senior Vice President, Product Management
David A. Christman	Senior Vice President, Deputy General Counsel, Chief Counsel, Corporate & Assistant Secretary
Jennifer Chun	Senior Vice President, Content Acquisition
James Cigliano	Senior Vice President, Retention Operations
Steven Cook	Senior Vice President & General Manager, HSD
Michael Diamond	Senior Vice President, Marketing - Grow
Chris Faw	Senior Vice President, Media Operations
Ken Fitzpatrick	Senior Vice President & Chief Operations & Transformation Officer, Business Services
Mark FitzPatrick	Senior Vice President & Chief Financial Officer, Residential Services
David Flessas	Senior Vice President, Network and Operations Support
Gregg Fujimoto	Senior Vice President, Marketing Communications
Paul Gilles	Senior Vice President, People Strategy and Compensation
Carole Hart	Senior Vice President, Media Enterprise Sales
Henry Hryckiewicz	Senior Vice President, Field Network Engineering Operations

* Section 16 Officer

Michelle Kim	Senior Vice President & Chief Counsel, Programming
Greg King	Senior Vice President & Chief Product & Strategy Officer, Business Services
Paul Lang	Senior Vice President & Chief Financial Officer, Business Services
Christian Lee	Senior Vice President, Mergers & Acquisitions
Rocco Laurenzano	Senior Vice President, Change Management
James Ludington	Senior Vice President, Technology Business Operations
Alan Lui	Senior Vice President, HR Centers of Expertise
James Manchester	Senior Vice President, Applications Operations
Gary Matz	Senior Vice President, State Government Relations
William F. Osbourn*	Senior Vice President & Controller
Jeffrey Painting	Senior Vice President & Chief Sales Officer, Business Services
Howard Pfeffer	Senior Vice President, Broadband Engineering & Technology
Deborah Piccolo	Senior Vice President, Technical Operations, Residential
Thomas Robey	Senior Vice President, Investor Relations
David Rone	Senior Vice President and President, TWC Sports, News and Local Programming
Andrew Rosenberg	Senior Vice President, Content Acquisition
Mike Roudi	Senior Vice President, Corporate Development
Mark Schichtel	Senior Vice President, Tax
Matthew Siegel	Senior Vice President & Treasurer
Matthew Stanek	Senior Vice President, Core, Metro and Regional Network Operations
Steven Teplitz	Senior Vice President, Government Relations
Chris VanName	Senior Vice President, Residential Sales Channels
Matthew Zelesko	Senior Vice President, Converged Technology Group
Jeffrey M. Zimmerman	Senior Vice President, Deputy General Counsel, Chief Counsel, Litigation, & Chief Ethics and Compliance Officer
Raj Kumar	Assistant Secretary
Susan A. Waxenberg	Assistant Secretary
Ellen Alderdice	Assistant Treasurer
Meredith Garwood	Assistant Treasurer

The Address for all Officers is: Time Warner Cable, Inc.
60 Columbus Circle
17th Floor
New York, NY 10023

EXHIBIT B

COMCAST CORPORATION CORPORATE OFFICERS LIST

as of 5/01/2014

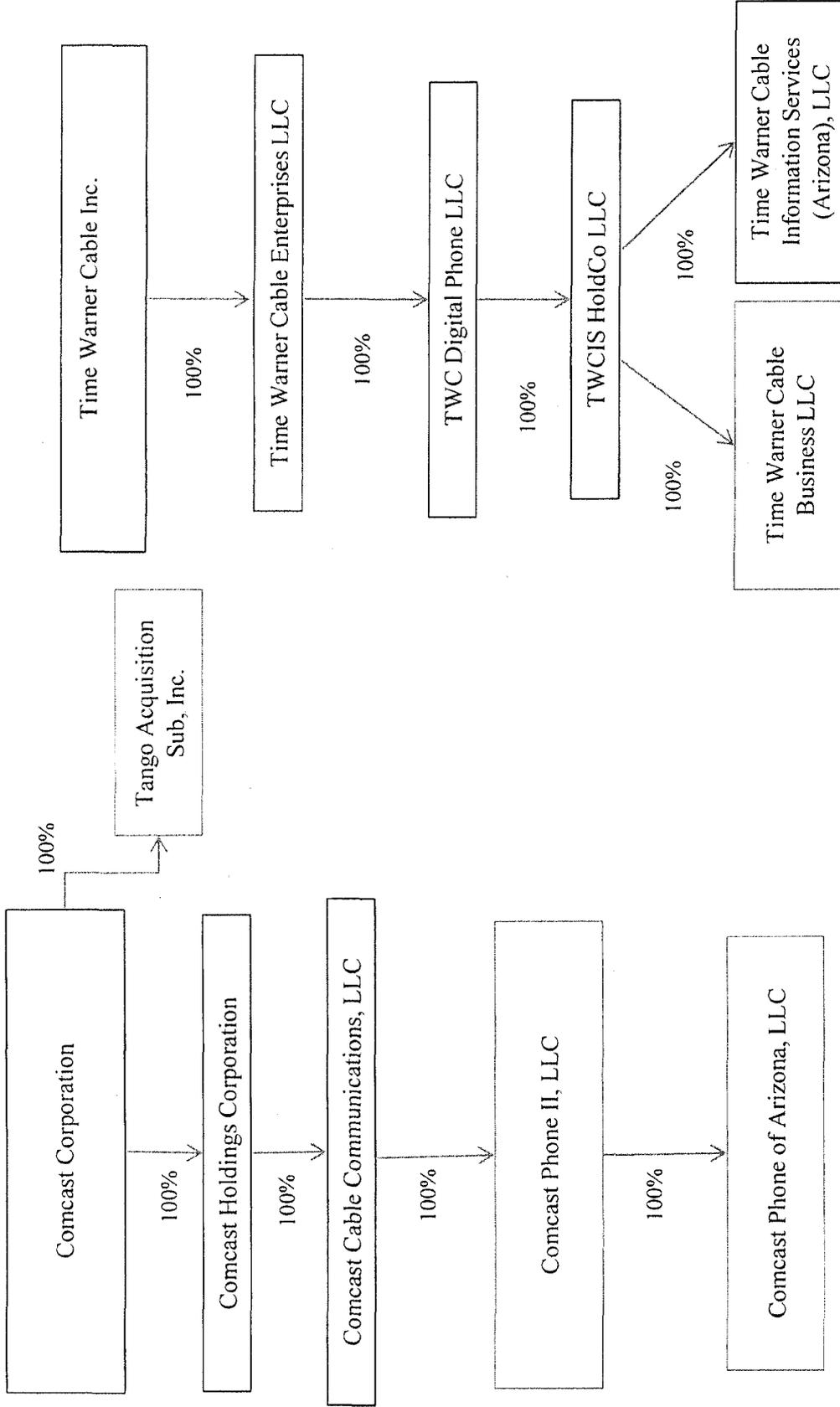
Brian L. Roberts	Chairman of the Board of Directors, President & Chief Executive Officer
Michael J. Angelakis	Vice Chairman & Chief Financial Officer
Stephen B. Burke	Executive Vice President
David L. Cohen	Executive Vice President, Chief Diversity Officer & Assistant Secretary
Neil Smit	Executive Vice President
Alexander D. Evans	Executive Vice President – Global Corporate Development & Strategy
Amy L. Banse	Senior Vice President
Arthur R. Block	Senior Vice President, General Counsel & Secretary
William E. Dordelman	Senior Vice President & Treasurer
Lawrence J. Salva	Senior Vice President, Chief Accounting Officer & Controller
David A. Scott	Senior Vice President
Melissa A. Maxfield	Senior Vice President – Congressional & Federal Government Affairs
Jennifer Khoury-Newcomb	Senior Vice President – Corporate & Digital Communications
D’Arcy F. Rudnay	Senior Vice President – Corporate Communications & Chief Communications Officer
Robert S. Pick	Senior Vice President – Corporate Development
Cynthia K. Hook	Senior Vice President – Internal Audit & General Auditor
Jason S. Armstrong	Senior Vice President – Investor Relations
Lynn R. Charytan	Senior Vice President – Legal Regulatory Affairs
Kathryn A. Zachem	Senior Vice President – Regulatory & State Legislative Affairs
Kristine A. Dankenbrink	Senior Vice President – Taxation
Gerald J. Lewis, Jr.	Chief Privacy Officer
Jennifer L. Daley	Vice President & Assistant Treasurer
Jennifer Heller	Vice President & Chief Compliance Officer
James P. McCue	Vice President & Assistant Treasurer
Marc A. Rockford	Vice President & Senior Deputy General Counsel
Gary E. Rostick	Vice President
Justin B. Smith	Vice President & Chief Joint Venture Compliance Officer
Karen Dougherty Bucholz	Vice President – Administration
Charisse R. Lillie	Vice President – Community Investment
Gregg M. Goldstein	Vice President – Corporate Development
Joseph P. McGinley	Vice President – Corporate Development
Mark Noble	Vice President – Corporate Development
Keith T. Cheatham	Vice President – Corporate Real Estate & Insurance
Bret Perkins	Vice President – External & Government Affairs
Kevin P. O’Connor	Vice President – Federal Tax
Joseph F. DiTrollo	Vice President – Financial Operations
Leonard J. Gatti	Vice President – Financial Reporting
Rebecca Arbogast	Vice President – Global Public Policy
Sena Fitzmaurice	Vice President – Government Communications
Beth Arnholt	Vice President – Integrated Talent Management
James J. Finnegan	Vice President – Strategic Intellectual Property
Thomas J. Donnelly	Vice President – Taxation

The Address for all Officers is:

Comcast Corporation
One Comcast Center
Philadelphia, PA 19103

Pre-Transaction Structure – Arizona

EXHIBIT C



Post-Transaction Structure - Arizona

