

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
Applications for Consent to the Assignment) MB Docket No. 05-192
and/or Transfer of Control of Licenses)
Adelphia Communications Corporation,)
(and subsidiaries, debtors-in-possession),)
Assignors,)
to)
Time Warner Cable Inc. (subsidiaries),)
Assignees;)
Adelphia Communications Corporation,)
(and subsidiaries, debtors-in-possession),)
Assignors and Transferors,)
to)
Comcast Corporation (subsidiaries),)
Assignees and Transferees;)
Comcast Corporation, Transferor,)
to)
Time Warner Inc., Transferee;)
Time Warner Inc., Transferor,)
to)
Comcast Corporation, Transferee)

ORDER GRANTING ADDITIONAL REQUEST FOR FURTHER EXTENSION OF TIME

Adopted: March 30, 2007

Released: March 30, 2007

By the Chief, Media Bureau:

1. On July 13, 2006, the Commission approved with conditions the sale of substantially all of the cable systems and assets of Adelphia Communications Corporation ("Adelphia") to Time Warner Inc. ("Time Warner")¹ and Comcast Corporation ("Comcast"), the exchange of certain cable systems and assets between affiliates or subsidiaries of Time Warner and Comcast, and the redemption of Comcast's interests in Time Warner Cable Inc. and Time Warner Entertainment Company, L.P.² One of the

¹ As used throughout this Order, the term "Time Warner" will refer generally to both Time Warner Inc. and its subsidiary, Time Warner Cable Inc.

² Applications for Consent to the Assignment and/or Transfer of Control of Licenses Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees; Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors, to Comcast Corporation (subsidiaries), Assignees and Transferees; Comcast Corporation, Transferor, to Time Warner Inc., Transferee; Time Warner Inc., Transferor, to Comcast Corporation, Transferee, Memorandum Opinion and Order, 21 FCC Rcd 8203 (July 21, 2006).

Commission's conditions was the requirement that, within 60 days after consummation of the transactions, Time Warner and Comcast each provide to the Commission an affidavit signed by a competent officer of the company certifying that the requirements of section 76.501(d) and (e) of the Commission's rules (the "cable/SMATV cross-ownership rule") had been satisfied.³ Because the transactions were consummated on July 31, 2006, the original deadline for certifying compliance with the cable/SMATV cross-ownership rule was September 29, 2006.⁴

2. The Media Bureau extended this deadline until December 31, 2006 for 16 of Time Warner's newly acquired SMATV systems in the Los Angeles area and for one SMATV system in the Columbus, Ohio area.⁵ The Media Bureau required Time Warner to provide an affidavit signed by a competent officer of the company certifying such compliance by January 2, 2007.⁶ In addition, the Media Bureau granted Time Warner an extension until April 2, 2007 to bring another 20 of its newly acquired SMATV systems into compliance, and it required Time Warner to provide a status update of these systems by January 2, 2007.⁷ The Media Bureau also provided Time Warner an extension until April 2, 2007 to divest its newly acquired SMATV system in Kern County, California to Bright House Networks, LLC ("Bright House").⁸

3. By letter dated January 3, 2007, Time Warner provided affidavits certifying compliance for 12 of the Los Angeles area systems subject to the December 31, 2006 deadline and for the Columbus, Ohio system.⁹ It also provided the required status update for the 20 systems required to come into compliance by April 2, 2007, and it submitted an affidavit certifying that interconnection had been completed for four of those 20 systems.¹⁰ However, Time Warner requested an extension of time, until

³ Section 76.501 prohibits cable operators from offering satellite master antenna television ("SMATV") service separate and apart from any franchised cable service in any portion of a franchise area served by the cable operator or its affiliates, unless the service is offered in accordance with the terms of a cable franchise agreement. 47 C.F.R. § 76.501(d), (e).

⁴ Letter from Arthur H. Harding, Fleischman and Walsh, L.L.P., Counsel for Time Warner, to Marlene H. Dortch, Secretary, FCC (Aug. 1, 2006) at 1.

⁵ *Applications for Consent to the Assignment and/or Transfer of Control of Licenses Adelpia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees; Adelpia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors, to Comcast Corporation (subsidiaries), Assignees and Transferees; Comcast Corporation, Transferor, to Time Warner Inc., Transferee; Time Warner Inc., Transferor, to Comcast Corporation, Transferee, Order Granting Request for Extension of Time*, 21 FCC Rcd 10843, 10845 ¶ 4 (MB Sept. 29, 2006) ("*Order Granting Initial Extension Request*"). Time Warner acquired 92 SMATV systems from Adelpia, 44 of which fall outside Time Warner's franchise areas and thus are not subject to the cable/SMATV cross-ownership rule. Of the remaining 48 systems subject to the rule, Time Warner brought ten into compliance by the September 29, 2006 deadline. Letter from Arthur H. Harding, Fleischman and Walsh, L.L.P., Counsel for Time Warner, to Marlene H. Dortch, Secretary, FCC (Jan. 3, 2007) ("*Further Extension Request*") at 1.

⁶ *Order Granting Initial Extension Request*, 21 FCC Rcd at 10845 ¶ 4.

⁷ *Id.* at 10845 ¶ 5.

⁸ Time Warner requested a six-month extension to divest a SMATV system it acquired in a franchise area served by Bright House. Because Time Warner has attributable interests in Bright House, it decided to divest the system to Bright House "in an abundance of caution." *Id.* at 10844 ¶ 3.

⁹ Further Extension Request, Decl. of Jose Leon and Decl. of Randy Hall. The Commission was closed on January 2, 2007 in observance of the national funeral service for former President Gerald Ford. Therefore, Time Warner's filing on January 3, 2007 was timely.

¹⁰ *Id.* at 3-4, Decl. of Jose Leon.

April 2, 2007, to comply with the certification requirement with respect to four of the SMATV systems in the Los Angeles area that were subject to the December 31, 2006 deadline.¹¹ We granted Time Warner's request and extended the certification deadline for those four SMATV systems to April 2, 2007.¹² Time Warner reports that interconnection of those four SMATV systems has been completed.¹³

4. Time Warner now requests a further extension of 90 days, until July 2, 2007, to comply with the certification requirement for three of the SMATV systems subject to the April 2, 2007 deadline.¹⁴ For one of these three systems, Time Warner asserts that after it had reached "final, execution drafts of an agreement" with the property owner, the property was sold, and it has begun negotiations with the new owner. According to Time Warner, the owner of the second property has notified Time Warner that it wishes to continue service if Time Warner can obtain a 90-day extension to complete the agreements and necessary construction. Time Warner states that it has had numerous discussions with the third property owner but has not yet received notification that the owner wishes to continue service. The three systems serve a combined total of approximately 644 subscribers.¹⁵

5. We believe that granting Time Warner a further extension of time until July 2, 2007 for these three systems serves the public interest and will not unduly harm diversity or competition in the relevant markets. Denying Time Warner's request would result in termination of service to the affected subscribers. We seek to avoid this outcome if possible. Given Time Warner's showing that it has made concerted efforts to bring these three systems into compliance with the rule, we grant Time Warner a further extension of time to comply with the cable/SMATV cross-ownership rule so that service may be continued to the subscribers of these systems. Accordingly, we require Time Warner to provide, by July 2, 2007, an affidavit signed by a competent officer of the company certifying compliance with the cable/SMATV cross-ownership rule for these three systems.

¹¹ *Id.* at 2-3.

¹² *Applications for Consent to the Assignment and/or Transfer of Control of Licenses Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees; Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors, to Comcast Corporation (subsidiaries), Assignees and Transferees; Comcast Corporation, Transferor, to Time Warner Inc., Transferee; Time Warner Inc., Transferor, to Comcast Corporation, Transferee, Order Granting Request for Further Extension of Time, MB Docket No. 05-192, DA 07-15 (MB Jan. 5, 2007).*

¹³ Letter from Arthur H. Harding, Fleischman and Walsh, L.L.P., Counsel for Time Warner, to Marlene H. Dortch, Secretary, FCC (Mar. 16, 2007) at 1-2.

¹⁴ Letter from Arthur H. Harding, Fleischman and Walsh, L.L.P., Counsel for Time Warner, to Marlene H. Dortch, Secretary, FCC (Mar. 23, 2007) ("March 23 Letter") at 2.

¹⁵ *Id.* Time Warner explains that it has not completed interconnection for an additional seven SMATV systems, but it has determined, based on the Commission's effective competition orders, that these seven systems are located in franchise areas that the Commission has found to be subject to effective competition and therefore are not subject to the cable/SMATV cross-ownership rule. March 23 Letter at 1. *See* 47 C.F.R. § 76.501(f) (exempting systems that are subject to effective competition). Time Warner also states that it will be able to certify compliance by April 2, 2007 for all of its remaining SMATV systems subject to the rule, other than the three systems for which it seeks a further extension. March 23 Letter at 1.

6. This action is taken pursuant to authority delegated by section 0.283 of the Commission's rules.¹⁶

FEDERAL COMMUNICATIONS COMMISSION

Monica Shah Desai
Chief, Media Bureau

¹⁶ 47 C.F.R. § 0.283.