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ADELPHIA SEPARATION PLAN ADDENDUM - HUNTERSVILLE

Time Warner Cable will separate the Adelphia system serving the Town of Huntersville, North Carolina, from the Adelphia Mooresville Headend and plant being acquired by the consortium of Local Franchise Authorities. This plan outlines the steps necessary to complete this separation including a brief review of the current system layout, followed by a recap of separation issues, details of the separation components including estimated cost, and a brief list of transitional issues not covered in this plan.

System Overview

The portion of the Adelphia system involved in the separation includes nodes serving areas of:

Total Nodes - 17

Total Plant Miles - 195

Homes Passed – 13,472 estimated

SEPARATION ISSUES

Assumptions:

1. The plan may need to be revised if additional information collected by field engineering and verification of Adelphia's system maps and other engineering data prompt any substantive changes to our assumptions.
2. Consortium Cities will work with TWC to expedite encroachment permits required for underground construction and any required pole attachment permits.
3. Underground construction shall be directional bore method to meet timeline for separation.
4. Termination of all optical transport to TWC designated nodes will occur in the Mooresville Headend prior to transfer to Consortium.
 - a. The Huntersville system currently includes a total of seventeen (17) nodes receiving services from the Mooresville Headend.
5. Time Warner Cable must construct one new hub to facilitate the separation.
6. Some cleanup may be required post separation where drops are found to feed from one parties system to customers in another parties system.

There are seventeen (17) nodes providing services in the Town of Huntersville, including five (5) nodes overlapping areas that lie within the town limits of Cornelius or areas of unincorporated Mecklenburg County. These overlap nodes will be physically split in the field with the exception of node HUNT-01 with an approximate plant mileage of three tenths (0.30) of a mile within the Mecklenburg County footprint. As of May 23, 2007, there were no active customers identified within Node HUNT-01 located in the Mecklenburg County service area.



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The list of node assignments between parties follows:

Time Warner Nodes

Huntersville

CORN-04*

CORN-10*

CORN-13*

HUNT-01

HUNT-02

HUNT-03

HUNT-04

HUNT-05

HUNT-06

HUNT-07

HUNT-09

HUNT-10

HUNT-12

Time Warner / Consortium Nodes

Huntersville/Cornelius

CORN-01/HUNT-11

CORN-03

CORN-05

Huntersville/Mecklenburg County

HUNT-01*

HUNT-08

*Not included in this Separation Plan

*Node boundaries serve only within the Town of Huntersville

Total 12

Total 5

SEPARATION COMPONENTS

Transport Fiber, Distribution Fiber and Node Conversions and Splits

Time Warner Cable will build a new and distinctly separate transportation and distribution fiber overlay in order to separate the system and provide service to the nodes coming to TWC including approximately thirty one and one half (31.5) miles of aerial construction and fifteen (15) miles of underground construction. Completely new coaxial distribution cable will also be constructed in any locations where it is necessary so that TWC and the Consortium do not share any aerial strand or underground facilities.

Transport Fiber:

- One 48 count fiber transport link will be built to connect the TWC Oakdale Hub in Mecklenburg County to the proposed new Huntersville Hub.
- A second 48 count fiber transport link will be built to connect the proposed Huntersville Hub the new TWC Hub to be built north of Mooresville in Iredell County.

Distribution Fiber:

- Six (6) count distribution fiber cables will be constructed to service all nodes coming to Time Warner Cable. These fiber runs will terminate at node locations or intersect



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existing Adelphia fiber in the field to reduce construction cost. Other existing Adelphia distribution fiber will be left intact to maintain service to nodes going to the Consortium.

Node conversions and splits:

- Six (6) count distribution fibers will be constructed to service all thirteen (17) nodes coming to Time Warner Cable.
- Four nodes will be split in the field. New nodes and power supplies will be installed to service CORN-01/HUNT-11, CORN-03, CORN-05, and HUNT-08 1 for TWC. TWC will make any necessary design changes and place fiber, nodes, power supplies, cable, actives and passives to effectively split the distribution plant in these nodes.

Cost:

| | |
|---------------------|--------------------|
| • Construction Cost | \$785,606 |
| • Fiber Cable | \$113,508 |
| • Fiber Splicing | \$83,795 |
| • Node Splits | \$501,000 |
| • Railroad Licenses | <u>\$50,000</u> |
| • Total | \$1,533,909 |

Hub Construction

TWC will transition a total of seventeen (17) nodes, to a new hub in Huntersville. The transition requires the following steps:

- Land acquisition (1/2 acre) and site preparation
- Design and purchase of one hub building – approximately 720 sq. ft.
- Purchase hub electronics
- Installation of equipment including wiring integration and documentation

Estimated cost to build the hub includes:

| | |
|--|--------------------|
| • Land, Site Preparation and Power, Hub Building, Electronics | \$1,034,280 |
| • Network Transport/CMTS | <u>\$425,431</u> |
| • Total: | \$1,459,711 |

Hub Construction Assumptions and Variables:

- The cost for land, site preparation and 3-phase power estimated based on historical data.
- The close date for land may vary based on availability and zoning issues that require action.
- The property cost may increase due to location and local market conditions.
- The cost of electronics may vary due to the optical loss budgets, which can only be determined post walkout and design.
- Other electronic items, e.g., IRDs, CherryPickers, etc., are estimated based on the current channel lineup that will be duplicated at the hubs.



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- Vendor lead times for equipment may also shift the projected timeline as outlined above.

TOTAL SYSTEM SEPARATION COST

| | |
|-------------------|--------------------|
| Construction | \$1,533,909 |
| Hub & Electronics | <u>\$1,459,711</u> |
| Total | \$2,993,620 |

TIMELINE

TWC will use reasonable efforts to complete the separation within 120 days after Election Date and signing of an asset purchase agreement, but the completion may be delayed by factors outside our control including:

- Material Delivery or damages in shipment.
- Acquisition of Construction and Encroachment Permits.
- Weather or other acts of god outside the control of Time Warner Cable.