



Mayor Dan Devine
City of West Allis
7525 West Greenfield Avenue
West Allis, WI 53214

September 26, 2008

Dear Mayor Devine:

Time Warner Cable continues to increase its employee base in Wisconsin. In October, we will open two Time Warner Cable facilities in Appleton, Wisconsin that will house over 550 employees and create efficiencies as we consolidate nine buildings into two cost effective, LEED certified operations centers that will assist us in best serving our Wisconsin customers.

Time Warner Cable remains committed to making a positive economic impact in the state of Wisconsin. While other companies have moved out of the State, Time Warner Cable has added over 200 employees in 2008 alone. Today, our 2000 Wisconsin employees work hard to provide our customers with the best services and customer care our industry has to offer, while recognizing the importance of making a positive impact in the communities we serve.

This year, our employees voted Time Warner Cable the Best Place to Work for the second consecutive year. They are proud to work for a company that understands the importance of good corporate citizenship and one that supports employee volunteerism, community support and social responsibility as key components to the success of our business. Our unique educational initiatives such as: Time Warner Cable's Hang Tough Video Contest, Time Warner Cable's Scholarship Program, Teaching Creatively with Cable Awards, Crystal Apple Awards, the Read to Feed program, and the hundreds of organizations we partner with each year, permits us to positively impact the lives of thousands of Wisconsin residents, educators and students.

Time Warner Cable is proud to be a technological innovator having been first to introduce the Digital Video Recorder, Video on Demand technology, Caller ID on TV, and Start Over, which is scheduled to launch in Wisconsin very soon. Time Warner Cable's technological

advances bring consumers more choice, value and convenience they expect from their in-home entertainment and information provider.



You can trust Time Warner Cable for all your entertainment and information needs because we are here in your community, providing over 250 channels, high speed data service through Road Runner and digital phone service 24 hours a day, 7 days a week.

We give customers the ability to bundle all three services by offering cost saving packages that meet their entertainment and communication needs. In fact, over 55% of Time Warner Cable customers currently subscribe to one of Time Warner Cable's bundled packages.

In these challenging economic times, Time Warner Cable has continued to add value to our existing services at no additional cost to customers. In 2008, Time Warner Cable added or enhanced the following products:

- **Time Warner Cable Sports Channel 32, exclusively on Time Warner Cable**, premiered in January of 2007 and has quickly become the best place to catch exclusive local sports coverage. In 2008, TWC Sports became the official home to the Marquette Golden Eagles and the University of Wisconsin – Milwaukee Panthers Athletics. TWC Sports also features the Dennis Krause Show and Time Warner Cable Sports Roundtable and a vast array of high-school, college, amateur and professional sports, including the Wisconsin Timber Rattlers, Milwaukee Wave and the Milwaukee Admirals.
- Time Warner Cable is also the only provider in Wisconsin offering **Wisconsin on Demand**, channel 1111. In 2008, WloD featured local restaurant reviews, high school sports, dance team competitions, Wisconsin tourist destinations, school plays, concerts and unique community programs such as “Golden Idol” and “Mad Hot Ballroom”.
- **Road Runner High Speed Online was once again voted the best Internet Service Provider in 2008, for a 3rd consecutive year.** TWC offers four different speed packages to choose from ranging from 768Kbps to 15 Mbps, Road Runner continues to beat all other providers by adding additional services like free security software, and PhotoShow Deluxe. Coming soon in 2009, Road Runner Turbo with PowerBoost – provides a burst of speed up to 22 MB when downloading big files at no additional cost for customers who already subscribe to Road Runner Turbo.
- **Seventeen new analog/digital channels, eighteen new HD channels, and eighteen On Demand channels all joined our channel line up.**
 - TWC is proud to be the Home of Free HD.
- **Three Digital Phone Packages for customers to choose from:**
 - Unlimited Nationwide Phone Service (same price for 3rd consecutive year)
 - Unlimited Local Phone Service (same price for 3rd consecutive year)



- Unlimited Wisconsin Service (same price for 3rd consecutive year)
- International OnePrice allows 1,000 minutes each month to call more than 100 countries for one low set price.
- **Caller ID on TV** was launched to all Digital Phone customers with Digital Cable at no additional cost. Digital Phone customers can view the name and number of the person calling on every television with a TWC converter.

Not unlike any other business, Time Warner Cable always strives to offer the most competitive prices, even while our costs to do business continue to increase. Cable service alone offers thousands of hours per day of around-the-clock educational, informational, entertainment and sports programming. In order to provide the channels customers want and expect from their entertainment provider, Time Warner Cable must pay programming costs. For the ninth consecutive year, Time Warner Cable has experienced double digit increases in license fees we pay to programming networks. In fact, Time Warner Cable's licensing fees have increased 11% in 2008 or 113% since 2001. We are doing everything in our power to control programming costs, which are increasing dramatically every year. These costs are directly related to pay for athletes and entertainers associated with popular programming channels such as ESPN and FOX

Sports Networks. Sports and broadcast programming are by far the largest contributors to rate increases.

We have also seen extraordinary increases in other areas of sports entertainment over the past few years. In a recent segment of *HBO's Real Sports with Bryant Gumbel* entitled *Sky High Tickets*, he reports that costs for regular seats to many national MLB and NFL games have increased year on year over 60%, and some are expected to increase over 700% by 2010. Increases in programming costs to provide many national sports programming are attributed to extraordinary increases such as this.

We have all been affected by the cost of living increases for food, fuel and energy. Our fuel costs alone have been the highest in recent history. While Time Warner Cable's costs to do business have increased, we have always worked to minimize the impact to our customers

by keeping our rates as competitive as possible. **Included in this letter is a sample brochure and print out that will be sent to our customer's in their October bills notifying them of all channel and rate changes effective with their November billing statements.**

This rate adjustment will **not** impact over 35% of our customers who are already in money saving campaigns.

We encourage you and your constituents to sign up for our new Price Lock Guarantee program, which saves you money each month on our best packages that include Digital Cable, Road Runner High Speed On Line, and Digital Phone service.



These money saving packages are guaranteed for 24 months.

The cost for the following services will not change in November:

- Digital Phone remains the same for the 3rd year in a row.
- Family Choice Package, HD Package, Digital Sports Package will not change.
- Costs for up to 2 premium channels will not change.
- Nuestra Tele Tier (with basic service) will decrease over 18%.

Time Warner Cable also concentrated our efforts this year by assisting the FCC in educating consumers on the Digital TV transition. The federal government has scheduled the DTV transition to take place on February 17, 2009. We sent you information regarding our efforts to reach out and educate Wisconsin residents. I want to remind you that all cable customers are ready for the DTV Transition. In addition, we are available to present DTV information to local organizations or your constituents at your request.

We recognize that your residents and our customers have a variety of entertainment options. We want you to know that we value the opportunity to serve them and you. As always, I will be happy to answer any questions. Please feel free to contact me at 414/277-4190.

Sincerely,

Bev Greenberg
Vice President, Public Affairs

**Please refer to the enclosed brochure for important information
on rates, Digital Packages and exciting new products.**

NEW MONTHLY CABLE PRICES

Our goal is always to provide you with the best value. However, with many of our fixed costs escalating, we are forced to adjust the prices of some of our services accordingly. We are doing everything in our power to control programming costs, which are increasing dramatically every year. However, when programming costs rise, customers' bills rise too. Sports and broadcast programming costs are by far the largest contributor to rate increases.

Effective November 2008:

Basic Service

\$14.41

Rates do not include franchise fees, FCC regulatory fees, state and local taxes, or Municipality Requested PEG Access Fee (where applicable). The rates listed become effective with your November 2008 billing statement. Prices are subject to change.