

October 30, 2006

Mr. Roger L. Stancil
Town Manager
Town of Chapel Hill
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514

Re: FCC Form 1240 and FCC Form 1205

Enclosed are the required FCC Forms used for calculating the Basic Service Tier "BST" rates, and equipment and installation charges scheduled to become effective on February 1, 2007. Please refer to the attached Exhibit 1, which summarizes the components of the BST rate change, as well as a listing of the enclosed forms.

Please call me at (919) 573- 7115, if you have any questions regarding the enclosed forms or would like to discuss our plans for implementing the 2007 forms.

Very truly yours,

Richard Bennett
Vice President, Finance
Time Warner Cable – Raleigh Division

Enclosures:

1240 FCC Form
1205 FCC Form
Exhibit 1

**TIME WARNER CABLE - RALEIGH DIVISION
SUMMARY OF 2007 BST RATE CHANGES
EXHIBIT 1**

October 30th, 2006

CUID #: NC-0234
COMMUNITY: Chapel Hill

Below is a brief **summary** of your franchise BST rate as computed using FCC Forms 1240 and 1235 Cost of Service Filing.

MPR PER FCC FORM 1240	COST OF SERVICE FILING (FORM 1235)	TOTAL MAXIMUM BST RATE	TWC 2007 BST RATE SELECTED
\$9.46		\$9.46	\$9.35

ENCLOSURES:

FCC Form 1240 with Channel Lineups
12
NC-01 10

NOTE: Please note that the FCC Form 1235 cost of upgrade is no longer included in the TWC 2007 BST selected rate.

FCC FORM 1240
UPDATING MAXIMUM PERMITTED RATES FOR REGULATED CABLE SERVICES

Cable Operator:

Name of Cable Operator TIME WARNER CABLE		
Mailing Address of Cable Operator 101 Innovation Ave., Suite 100		
City Morrisville	State NC	ZIP Code 27560

1. Does this filing involve a single franchise authority and a single community unit? YES NO

<input checked="" type="checkbox"/>	<input type="checkbox"/>
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If yes, complete the franchise authority information below and enter the associated CUID number here: NC-0234

2. Does this filing involve a single franchise authority but multiple community units? YES NO

<input type="checkbox"/>	<input checked="" type="checkbox"/>
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If yes, enter the associated CUIDs below and complete the franchise authority information at the bottom of this page:

3. Does this filing involve multiple franchise authorities?

If yes, attach a separate sheet for each franchise authority and include the following franchise authority information with its associated CUID(s):

Franchise Authority Information:

Name of Local Franchising Authority TOWN OF CHAPEL HILL		
Mailing Address of Local Franchising Authority 306 N. COLUMBIA STREET		
City CHAPEL HILL	State NC	ZIP Code 27516
Telephone number	Fax Number	

4. For what purpose is this Form 1240 being filed? Please put an "X" in the appropriate box.

a. Original Form 1240 for Basic Tier	<input checked="" type="checkbox"/>
b. Amended Form 1240 for Basic Tier	<input type="checkbox"/>
c. Original Form 1240 for CPS Tier	<input type="checkbox"/>
d. Amended Form 1240 for CPS Tier	<input type="checkbox"/>

5. Indicate the one year time period for which you are setting rates (the Projected Period). TO

02/07	1/08	(mm/yy)
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6. Indicate the time period for which you are performing a true-up. TO

10/05	09/06	(mm/yy)
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7. Status of Previous Filing of FCC Form 1240 (enter an "x" in the appropriate box)

a. Is this the first FCC Form 1240 filed in any jurisdiction?	YES NO
	<input type="checkbox"/> <input checked="" type="checkbox"/>
b. Has an FCC Form 1240 been filed previously with the FCC?	<input type="checkbox"/> <input checked="" type="checkbox"/>

If yes, enter the date of the most recent filing: (mm/dd/yy)

c. Has an FCC Form 1240 been filed previously with the Franchising Authority? YES NO

<input checked="" type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------

If yes, enter the date of the most recent tiling: 12/05/05 (mm/dd/yy)

8. Status of Previous Filing of FCC Form 1210 (enter an "x" in the appropriate box)

YES NO

a. Has an FCC Form 1210 been previously filed with the FCC?

X	
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If yes, enter the date of the most recent filing:

05/25/95	(mm/dd/yy)
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b. Has an FCC Form 1210 been previously filed with the Franchising Authority?

YES	NO
X	

If yes, enter the date of the most recent filing:

05/25/95	(mm/dd/yy)
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9. Status of FCC Form 1200 Filing (enter an "x" in the appropriate box)

a. Has an FCC Form 1200 been previously filed with the FCC?

YES	NO
X	

If yes, enter the date filed:

08/11/94	(mm/dd/yy)
-----------------	------------

b. Has an FCC Form 1200 been previously filed with the Franchising Authority?

YES	NO
X	

If yes, enter the date filed:

08/11/94	(mm/dd/yy)
-----------------	------------

10. Cable Programming Services Complaint Status (enter an "x" in the appropriate box)

a. Is this form being filed in response to an FCC Form 329 complaint?

YES	NO
	X

If yes, enter the date of the complaint:

	(mm/dd/yy)
--	------------

11. Is FCC Form 1205 Being Included With This Filing

YES	NO
X	

12. Selection of "Going Forward" Channel Addition Methodology (enter an "x" in the appropriate box)

Check here if you are using the original rules [MARKUP METHOD].

Check here if you are using the new, alternative rules [CAPS METHOD].

If using the CAPS METHOD, have you elected to revise recovery for channels added during the period May 15, 1994 to Dec. 31, 1994?

YES	NO

13. Headend Upgrade Methodology

**NOTE: Operators must certify to the Commission their eligibility to use this upgrade methodology and attach an equipment list and depreciation schedule.*

Check here if you are a qualifying small system using the streamlined headend upgrade methodology.

Part I: Preliminary Information

Module A: Maximum Permitted Rate From Previous Filing

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
A1	Current Maximum Permitted Rate	\$9.0826				

Module B: Subscribership

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
B1	Average Subscribership For True-Up Period 1	13,155				
B2	Average Subscribership For True-Up Period 2					
B3	Estimated Average Subscribership For Projected Period	13,353				

Module C: Inflation Information

Line	Line Description		
C1	Unclaimed Inflation: Operator Switching From 1210 To 1240		1.0000
C2	Unclaimed Inflation: Unregulated Operator Responding to Rate Complaint		1.0000
C3	Inflation Factor For True-Up Period 1 [Wks 1]		1.0330
C4	Inflation Factor For True-Up Period 2 [Wks 1]		
C5	Current FCC Inflation Factor		1.0331

Module D: Calculating the Base Rate

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
D1	Current Headend Upgrade Segment					
D2	Current External Costs Segment	\$1.3549				
D3	Current Caps Method Segment					
D4	Current Markup Method Segment					
D5	Current Channel Movement and Deletion Segment					
D6	Current True-Up Segment	(\$0.0249)				
D7	Current Inflation Segment	\$0.1942				
D8	Base Rate [A1-D1-D2-D3-D4-DS-D6-D7]	\$7.5584				

**Part II: True-Up Period
Module E: Timing Information**

Line	Line Description		
E1	What Type of True-Up Is Being Performed? (Answer "1", "2", or "3". See Instructions for a description of these types.) If "1", go to Module I. If "2", answer E2 and E3. If "3", answer E2, E3, E4, and E5.		2
E2	Number of Months in the True-Up Period 1		12
E3	Number of Months between the end of True-Up Period 1 and the end of the most recent Projected Period		3
E4	Number of Months in True-Up Period 2 Eligible for Interest		
E5	Number of Months True-Up Period 2 Ineligible for Interest		

Module F: Maximum Permitted Rate For True-Up Period 1

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
F1	Caps Method Segment For True-Up Period 1 [Wks 2]					
F2	Markup Method Segment For True-Up Period 1 [Wks 3]					
F3	Chan Mvmnt Deletn Segment For True-Up Period 1 [Wks' 4/5]					
F4	True-Up Period 1 Rate Eligible For Inflation [D8+F1+F2+F3]	\$7.5584				
F5	Inflation Segment for True-Up Period 1 [(F4*C3)-F4]	\$0.2496				
F6	Headend Upgrade Segment For True-Up Period 1 [Wks 6]					
F7	External Costs Segment For True-Up Period 1 [Wks 7]	\$1.0043				
F8	True-Up Segment For True-Up Period 1	\$0.0254				
F9	Max Perm Rate for True-Up Period 1 [F4+F5+F6+F7+F8]	\$8.8378				

Module G: Maximum Permitted Rate For True-Up Period 2

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
G1	Caps Method Segment For True-Up Period 2 [Wks 2]					
G2	Markup Method Segment For True-Up Period 2 [Wks 3]					
G3	Chan Mvmt Deletn Segment For True-Up Period 2 [Wks' 4/5]					
G4	TU Period 2 Rate Eligible For Inflation [D8+F5+G1+G2+G3]					
G5	Inflation Segment for True-Up Period 2 [(G4*C4)-G4]					
G6	Headend Upgrade Segment For True-Up Period 2 [Wks 6]					
G7	External Costs Segment For True-Up Period 2 [Wks 7]					
G8	True-Up Segment For True-Up Period 2					
G9	Max Perm Rate for True-Up Period 2 [G4+G5+G6+G7+G8]					

Module H: True-Up Adjustment Calculation

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
Adjustment For True-Up Period 1						
H1	Revenue From Period 1	\$1,388,092.3796				
H2	Revenue From Max Permitted Rate for Period 1	\$1,395,162.0959				
H3	True-Up Period 1 Adjustment [H2-H1]	\$7,069.7163				
H4	Interest on Period 1 Adjustment	\$607.6918				
Adjustment For True-Up Period 2						
H5	Revenue From Period 2 Eligible for Interest					
H6	Revenue From Max Perm Rate for Period 2 Eligible For Interest					
H7	Period 2 Adjustment Eligible For Interest [H6-H5]					
H8	Interest on Period 2 Adjustment (See instructions for formula)					
H9	Revenue From Period 2 Ineligible for Interest					
H10	Revenue From Max Perm Rate for Period 2 Ineligible for Interest					
H11	Period 2 Adjustment Ineligible For Interest [H10-H9]					
Total True-Up Adjustment						
H12	Previous Remaining True-Up Adjustment					
H13	Total True-Up Adjustment [H3+H4+H7+H8+H11+H12]	\$7,677.4081				
H14	Amount of True-Up Claimed For This Projected Period	\$7,677.4081				
H15	Remaining True-Up Adjustment [H13-H14]	\$0.0000				

Part III: Projected Period

Module I: New Maximum Permitted Rate

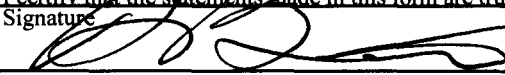
Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
I1	Caps Method Segment For Projected Period [Wks 2]					
I2	Markup Method Segment For Projected Period [Wks 3]					
I3	Chan Mvmnt Deletn Segment For Projected Period [Wks 4/5]					
I4	Proj. Period Rate Eligible For Inflation [D8+F5+G5+I1+I2+I3]	\$7.808				
I5	Inflation Segment for Projected Period [(I4*C5)-I4]	\$0.2584				
I6	Headend Upgrade Segment For Projected Period [Wks 6]					
I7	External Costs Segment For Projected Period [Wks 7]	\$1.3413				
I8	True-Up Segment For Projected Period	\$0.0479				
I9	Max Permitted Rate for Projected Period [I4+I5+I6+I7+I8]	\$9.4556				
I10	Operator Selected Rate For Projected Period	\$9.3546				

Note: The maximum permitted rate figures do not take into account any refund liability you may have. If you have previously been ordered by the Commission or your local franchising authority to make refunds, you are not relieved of your obligation to make such refunds even if the permitted rate is higher than the contested rate or your current rate.

Certification Statement

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Signature 	Date 10/20/06
Name and Title of Person Completing this Form: Richard Bennett, Raleigh Division Vice President of Finance	
Telephone number (919) 573-7115	Fax Number (919) 573-7042

Worksheet 1 - True-Up Period Inflation

For instructions, see Appendix A of Instructions For FCC Form 1240

Line	Period	FCC Inflation Factor
101	Month 1	3.47%
102	Month 2	3.47%
103	Month 3	3.47%
104	Month 4	3.12%
105	Month 5	3.12%
106	Month 6	3.12%
107	Month 7	3.31%
108	Month 8	3.31%
109	Month 9	3.31%
110	Month 10	3.31%
111	Month 11	3.31%
112	Month 12	3.31%
113	Average Inflation Factor for True-Up Period 1	1.0330
114	Month 13	
115	Month 14	
116	Month 15	
117	Month 16	
118	Month 17	
119	Month 18	
120	Month 19	
121	Month 20	
122	Month 21	
123	Month 22	
124	Month 23	
125	Month 24	
126	Average Inflation Factor for True-Up Period 2	

Worksheet 7 - External Costs True-Up Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
X	
	12

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

Line	Line Description	a Basic	b Tier 2	c Tier 3	a Tier 4	e Tier 5
Period 1						
External Costs Eligible for Markup						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$135,295.84				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$12,395.66				
704	External Costs Eligible For 7.5% Markup	\$147,691.51				
705	Marked Up External Costs	\$158,768.3693				
External Costs Not Eligible for Markup						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period					
708	Commission Regulatory Fees For Period	(\$219.3708)				
709	Total External Costs For Period	\$158,548.9985				
710	Monthly, Per-Subscriber External Costs For Period 1	\$1.0043				

Period 2

External Costs Eligible for Markup						
711	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period					
712	Retransmission Consent Fees For Period					
713	Copyright Fees For Period					
714	External Costs Eligible For 7.5% Markup					
715	Marked Up External Costs					
External Costs Not Eligible for Markup						
716	Cable Specific Taxes For Period					
717	Franchise Related Costs For Period					
718	Commission Regulatory Fees For Period					
719	Total External Costs For Period					
720	Monthly, Per-Subscriber External Costs For Period 2					

Worksheet 7 - External Costs Projected Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period				
	X				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: center;">12</td> </tr> <tr> <td></td> <td style="text-align: center;">0</td> </tr> </table>			12		0
	12				
	0				

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
------	------------------	------------	-------------	-------------	-------------	-------------

Period 1

External Costs Eligible for Markup						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$177,525.04				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$12,581.60				
704	External Costs Eligible For 7.5% Markup	\$190,106.64				
705	Marked Up External Costs	\$204,364.6346				
External Costs Not Eligible for Markup						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period					
708	Commission Regulatory Fees For Period	\$10,548.5897				
709	Total External Costs For Period	\$214,913.2243				
710	Monthly, Per-Subscriber External Costs For Period 1	\$1.3413				

Worksheet 8 - True-Up Rate Charged

For instructions, see Appendix A of Instructions For FCC Form 1240

Question 1. How long is the True-Up Period 1, in months?
 Question 2. How long is the True-Up Period 2, in months?

12

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
801	Month 1	\$8.7930				
802	Month2	\$8.7930				
803	Month3	\$8.7930				
804	Month4	\$8.7930				
805	Month 5	\$8.7930				
806	Month 6	\$8.7930				
807	Month 7	\$8.7930				
808	Month 8	\$8.7930				
809	Month 9	\$8.7930				
810	Month10	\$8.7930				
811	Month11	\$8.7930				
812	Month 12	\$8.7930				
813	Period 1 Average Rate	\$8.7930				

814	Month13					
815	Month 14					
816	Month15					
817	Month 16					
818	Month 17					
819	Month18					
820	Month 19					
821	Month 20					
822	Month21					
823	Month22					
824	Month23					
825	Month24					
826	Period 2 Average Rate					

Time Warner Cable - Raleigh Division

FCC 1240 - Basic Tier Service (BST) Lineup

**System: Chapel Hill, Orange Cnty, Granville Cnty, Durham Cnty,
Chatham County, Pittsboro, Carrboro, Hillsborough**

**2005 True-up
Channel Lineups
2007 FCC 1240 Filing**

10/05-03/06

0 TV Guide Channel
2 WNCN NBC
3 WRAL CBS
4 Educational Access
5 WRAY IND
6 WTVD ABC
7 Home Buyers Channel
8 Community Programming
9 UNCPBS
10 **WLFL** WB
11 WUVC UNIVISION
12 WRDC UPN
13 WRAZ FOX
14 News 14 Carolina
15 Home Shopping Network
16 QVC
18 C-SPAN 2
19 BET
20 Telefutura
21 WGN
22 WRPXi
24 Triangle TV

**2006 True-up
Channel Lineups
2007 FCC 1240 Filing**

04/06-09/06

0 TV Guide Channel
2 WNCN-TV(NBC)
3 WRAL-TV (CBS)
4 Educational Access
5 WRAY-TV (IND)
6 WTVD-TV (ABC)
7 Home Buyers Channel
8 Community Programrng
9 WUNC-TV (PBS)
10 WLFL-TV (WB)
11 WUVC-TV (UNI)
12 WRDC-TV (UPN)
13 WRAZ-TV (FOX)
14 NEWS-14
15 HSN
16 QVC
18 Gov. Access/C-SPAN2
19 BET
20 Telefutura
21 WGN
22 WRPX i
24 Triangle TV

**2007 Projected
Channel Lineups
2007 FCC 1240 Filing**

10/06-9/07

0 TV Guide Channel
2 WNCN-TV(NBC)
3 WRAL-TV (CBS)
4 Educational Access
5 WRAY-TV (IND)
6 WTVD-TV (ABC)
7 Home Buyers Channel
8 Community Programming
9 WUNC-TV (PBS)
10 WLFL-TV (WB)
11 WUVC-TV (UNI)
12 WRDC-TV (UPN)
13 WRAZ-TV (FOX)
14 NEWS-14
15 HSN
16 QVC
18 Gov. Access/C-SPAN2
19 BET
20 Telefutura
21 WGN
22 WRPXi
24 Triangle TV

FCC FORM 1205
DETERMINING REGULATED EQUIPMENT AND INSTALLATION COSTS
"EQUIPMENT FORM"

Community Unit Identifier (CUID) of cable system TIME WARNER CABLE CONSOLIDATED		Date of Form Submission (mm/dd/yy) 09/30/06
Name of Cable Operator TIME WARNER CABLE		
Mailing Address of Cable Operator 101 Innovation Avenue, Suite 100		
City Morrisville	State NC	ZIP Code 27560
Name and Title of person completing this form: Richard K. Bennett - VP of Finance		
Telephone number 919-573-7115		Fax Number 919-573-7042
Name of Local Franchising Authority See attached CUID Listing		
Mailing Address of Local Franchising Authority		
City	State	ZIP Code

1. This form is being filed: [Enter an "x" in the appropriate box]

In conjunction with FCC Form 1200, FCC Form 1220, or FCC Form 1225
 Attach the completed FCC Form 1200, FCC Form 1220, or FCC Form 1225 to the front of this form.

OR

In order to fulfill FCC rules requiring an annual filing of this form
 Enter the date on which you last filed this form: (mm/dd/yy)

Note: This should be the date on which the rates last justified, by using either FCC Form 393 or the prior filing of this form, were in effect.

2. Enter the date on which you closed your books for the fiscal year reflected in this form:

(mm/dd/yy)

Note: This will indicate the end of the 12-month fiscal year for which you are filing this form.

3. Indicate the corporate status of your cable system [Enter an "x" in the correct box]

- C-Corporation
- Subchapter S corporation
- Partnership
- Sole Proprietorship
- Other [Please explain below]

FCC FORM 1205

SCHEDULE A: CAPITAL COSTS OF SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT AND PLANT						
A	Equipment and Plant	Vehicles	Tools	Maintenance Facilities	Other 1. (Specify below)	Other 2. (Specify below)
B	Gross Book Value	91,059,568	44,064,833	49,740,395	39,539,969	7,917,280
C	Accumulated Depreciation	\$85,814,718	28,623,504	21,196,051	24,095,929	5,502,208
D	Deferred Taxes	1,587,961	2,599,315	-2,092,589	923,964	403,195
E	Net Book Value [B-(C+D)]	23,656,889	12,842,013	30,636,933	14,520,077	2,011,877
F	Rate of Return	11.25%				
G	Calculation of Gross-up Rate					
G1	Federal Income Tax Rate	35.00%				
G2	State Income Tax Rate	6.09%				
G3	Net Total Income Tax Rate [(G1+G2)/(G1 x G2)]	38.96%				
G4	Adjustment to Reflect Interest Deductibility					
G4a	Actual Interest Amount	464,000,000				
G4b	Total Net Assets	26,922,744,000				
G4c	Base Return on Investment Amount [G4b x F]	3,028,808,700				
G4d	Interest Deductibility Factor [G4a/G4c]	15.32%				
G5	Effective Tax Rate [G3 x (1-G4d)] [C-Corps skip to G7]	32.99%				
G6	Adjustments for Non-C Corporations					
G6a	Base Return on Investment Amount [G4c]	3,028,808,700				
G6b	Distributions	30,000,000				
G6c	Contributions (may not exceed G6b)	0				
G6d	Returns Subject to Income Tax [G6a-G6b+G6c]	2,998,808,700				
G6e	Returns Percentage Subject to Income Tax [G6d/G6a]	99.01%				
G7	Gross-Up Rate [C-Corps:1/(1-G5) Other:1/(1-(G5 x G6e))]	1.49				
H	Grossed-Up Rate of Return [F x G7]	16.71%				
I	Return on Investment Grossed-Up for Taxes [E x H]	3,952,463	2,145,573	5,118,651	2,425,935	336,133
J	Current Provision for Depreciation	12,460,198	4,994,372	2,584,231	4,829,196	1,104,487
K	Annual Capital Costs [I+J]	16,412,661	7,139,945	7,702,882	7,255,131	1,440,620
L	GRAND TOTAL [sum of Line K entries]	39,951,239				

Box 1.

Specify: Other 1. Test Equipment, Computers, Office Furniture, Radios

Specify: Other 2. Leasehold Improvements

SCHEDULE B: ANNUAL OPERATING EXPENSES FOR SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT							
A		Salaries & Benefits	Supplies	Utilities	Other Taxes	Other 1. (Specify below)	Other 2. (Specify below)
B	Annual Op. Expenses for Service Install. and Maint. of Equip.	240,176,197	20,179,358	8,485,985	5,872,205	33,885,623	13,963,833
B	GRAND TOTAL [sum of Line A entries]	322,563,202					

Box 2.

Specify: Other 1. Vehicle Lease and Maintenance, Converter Control, Converter Rrepair, R&M, Contract Labor

Specify: Other 2. Office Rent, Customer Service, MIS, Supplies, Buildings, Insurance, Equipment Rent

SCHEDULE C: CAPITAL COSTS OF LEASED CUSTOMER EQUIPMENT								
A	Equipment	Remote 1	Remote 2	Remote 3	Converter 1	Converter 2	Converter 3	Other Equip.
B	Total Maint/Service Hours	217,997	0	0	6,025	1,878,506	0	786
C	Total # of Units in Service	6,391,910	0	0	102,803	6,706,180	0	15,536
D	Gross Book Value	56,720,495	0	0	4,274,544	2,567,981,381	0	1,137,267.79
E	Accumulated Depreciation	38,646,808	0	0	4,197,555	1,743,020,344	0	401,105
F	Deferred Taxes	-578,243	0	0	-7,852	37,651,309	0	-1,056
G	Net Book Value [D-(E+F)]	18,651,929	0	0	84,840	787,309,727	0	737,219
H	Grossed-Up Rate of Return [From Sched. A, Line H]	16.71%						
I	Return on Investment Grossed-Up for Taxes [G x H]	3,116,262	0	0	14,175	131,539,387	0	123,170
J	Current Provision for Depreciation	11,691,293	0	0	41,074	404,591,249	0	352,851
K	Annual Capital Costs [I + J]	14,807,555	0	0	55,248	536,130,636	0	478,021
L	GRAND TOTAL [sum of Line K entries]	551,469,460						

Box 3.

SCHEDULE D: AVERAGE HOURS PER INSTALLATION	
A. Average Hours per Unwired Home Installation (attach an explanation)	1.18
B. Average Hours per Pre-Wired Home Installation (attach an explanation)	0.79
C. Average Hours per Additional Connection Installation at Time of Initial Installation (attach an explanation)	0.51
D. Average Hours per Additional Connection Installation Requiring Separate Installation (attach an explanation)	0.79
E. Other Installation (by Item Type):	
Item 1. Truck Trip	
Average Hours per Installation (attach an explanation)	0.00
Item 2. (Specify)	
Average Hours per Installation (attach an explanation)	0.00
Item 3. (Specify)	
Average Hours per Installation (attach an explanation)	0.00

WORKSHEET FOR CALCULATING PERMITTED EQUIPMENT AND INSTALLATION CHARGES	
STEP A. Hourly Service Charge	
1 Total Capital Costs of Installation and Maintenance [Schedule A, Box 1]	38,951,239
2 Total Annual Operating Expenses for Installation and Maintenance [Schedule B, Box 2]	322,563,202
3 Total Capital Costs and Operating Expenses for Installation and Maintenance [Line 1 + Line 2]	362,514,441
4 Customer Equipment and Installation Percentage (attach an explanation)	81.57%
5 Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment [Line 3 x Line 4]	295,711,671
6 Total Labor Hours for Maintenance and Installation of Customer Equipment and Services	6,883,419
7 Hourly Service Charge (HSC) (Line 5/Line 6)	42.96

ACTIONS (place an "x" in the appropriate box)	
<input type="checkbox"/>	Installations billed by the hour based on the HSC calculated in Line 7.
<input checked="" type="checkbox"/>	Installations billed as a standard charge.

STEP B. Installation Charge	
8 Uniform HSC for all installations (From Step A, line 7)	n/a
OR	
9 Average Charge for Installation Types	
a. Unwired Home Installation	
a1. HSC [Line 7]	42.96
a2. Average Hours per Unwired Home Installation (Schedule D, Line A)	1.18
a3. Charge per Unwired Home Installation [a1 x a2]	50.51
b. Pre-wired Home Installation	
b1. HSC [Line 7]	42.96
b2. Average Hours per Pre-wired Home Installation (Schedule D, Line B)	0.79
b3. Charge per Pre-wired Home Installation [b1 x b2]	33.74
c. Additional Connection Installation at Time of Initial Installation	
c1. HSC [Line 7]	42.96
c2. Average Hours per Additional Connection Installation at Time of Init. Install. (Schedule D, Line C)	0.51
c3. Charge per Additional Connection Installation at Time of Initial Installation [c1 x c2]	22.10
d. Additional Connection Installation Requiring Separate Installation	
d1. HSC [Line 7]	42.96
d2. Avg. Hours per Additional Connection Installation Req. Separate Installation [Schedule D, Line D]	0.79
d3. Charge per Additional Connection Installation Requiring Separate Installation [d1 x d2]	34.06
e. Other Installations (As specified in Schedule D, Line E):	
e1. HSC [Line 7]	42.96
e2. Average Hours per Installation of Item 1 [Schedule D, Line E, Item 1]	0.00
e3. Charge per Installation of Item 1 [e1 x e2]	0.00
e4. HSC [Line 7]	42.96
e5. Average Hours per Installation of Item 2 [Schedule D, Line E, Item 2]	0.00
e6. Charge per Installation of Item 2 [e4 x e5]	0.00
e7. HSC [Line 7]	42.96
e8. Average Hours per Installation of Item 3 [Schedule D, Line E, Item 3]	0.00
e9. Charge per Installation of Item 3 [e7 x e8]	0.00

Costs for leased Remotes			
(Calculate separately for each significantly different type)			
	a	b	c
	Remote 1	Remote 2	Remote 3
10 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	217,997	0	0
11 HSC [Line 7]	42.96	42.96	42.96
12 Total Maintenance/Service Cost [Line 10 x Line 11]	9,385,138	0.00	0.00
13 Annual Capital Costs [Corresponding column from Schedule C, Line K]	14,807,555	0.00	0.00
14 Total Cost of Remotes [Line 12 + Line 13]	24,172,694	0.00	0.00
15 Number of Units in Service [Corresponding column from Schedule C, Line C]	6,391,910	0	0
16 Unit Cost [Line 14/Line 15]	3.78	0.00	0.00
17 Rate per Month [Line 16/(12)]	0.32	0.00	0.00

Costs for leased Converter Boxes			
(Calculate separately for each significantly different type)			
	a	b	c
	Converter 1	Converter 2	Converter 3
18 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	6,025	1,878,506	0
19 HSC [Line 7]	42.96	42.96	42.96
20 Total Maintenance/Service Cost [Line 18 x 19]	258,822	80,700,608	0.00
21 Annual Capital Costs [Corresponding column from Schedule C, Line K]	55,248	536,130,636	0.00
22 Total Cost of Converter [Line 20+ Line 21]	314,070	616,831,243	0.00
23 Number of Units in Service [Corresponding column from Schedule C, Line C]	102,803	6,706,180	0
24 Unit Cost [Line 22/Line 23]	3.06	91.98	0.00
25 Rate per Month [Line 24/(12)]	0.25	7.66	0.00

Costs for Other Leased Equipment	
26 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	785.56
27 HSC [Line 7]	42.96
28 Total Maintenance/Service Cost [Line 26 x Line 27]	33,747.62
29 Annual Capital Costs [Corresponding column from Schedule C, Line K]	476,021.05
30 Total Cost of Equipment [Line 28+Line 29]	509,768.67
31 Number of Units in Service [Corresponding column from Schedule C, Line C]	15,536
32 Unit Cost [Line 30/Line 31]	32.81
33 Rate per Month [Line 32 / (12)]	2.73

METHOD OF BILLING FOR CHANGING SERVICE TIERS OR EQUIPMENT [place an "x" in the appropriate box]	
<input checked="" type="checkbox"/>	as a Nominal Charge (Enter the nominal charge in Line 34)
<input type="checkbox"/>	as a Uniform Hourly Service Charge
<input type="checkbox"/>	as an Average Charge (Enter the Average Hours for Changing Service Tiers in Line 36b.)

STEP F. Charges for Changing Service Tiers or Equipment	
34 Nominal Charge for Changing Service Tiers	2.00
If you use an escalating scale of charges, place an "x" in the box at the right.	
OR	
35 Uniform Hourly Service Charge	n/a
OR	
36 Average Charge for Changing Service Tiers	
36a. HSC [Line 7]	42.96
36b. Average Hours to Change Service Tiers	
36c. Average Charge for Changing Service Tiers [Line 36a x Line 36b]	n/a

WORKSHEET FOR CALCULATING TOTAL EQUIPMENT AND INSTALLATION COSTS	
1 Total Capital Costs of Installation and Maintenance [Schedule A, Box 1]	39,951,239
2 Total Annual Operating Expenses for Installation and Maintenance [Schedule B, Box 2]	322,563,202
3 Total Annual Capital Costs of Installation and Maintenance [Line 1 + Line 2]	362,514,441
4 Customer Equipment and Installation Percentage (attach explanation).	100%
5 Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment [Line 3 x Line 4]	362,514,441
6 Total Capital Costs of Leased Customer Equipment [Schedule C, Box 3]	551,469,460
7 Annual Customer Equipment and Installation Costs [Line 5 + Line 6]	913,983,901
8 Percentage Allocation to Franchise Area (see instructions)	100%
9 Allocated Annual Equipment and Installation Cost [Line 7 x Line 8]	913,983,901
10 Monthly Equipment and Installation Cost [Line 9 / (12)]	76,165,325
11 Number of Basic Subscribers in Franchise	7,611,176
12 Monthly Equipment and Installation Cost per Subscriber [Line 10 / Line 11]	10.01
13 Inflation Adjustment Factor [See Instructions]	100%
14 Adjusted Monthly Equipment and Installation Cost per Subscriber [Line 12 x Line 13]	10.01

::

SUMMARY SCHEDULE

Current Equipment and Installation Rates		Permitted	Actual
1. Charges for Cable Service Installations			
a. Hourly Rate (Step A, Line 7)		n/a	
b. Average Installation Charges:			
1. Installation of Unwired Homes (Step B, Line 9a3)		50.51	50.51
2. Installation of Prewired Homes (Step B, Line 9b3)		33.74	33.74
3. Installation of Additional Connections at Time of Initial Installation (Step B, Line 9c3)		22.10	22.10
4. Installation of Additional Connections Requiring Separate Install (Step B, Line 9d3)		34.06	34.06
5. Other Installations (specify) (Step B, Lines 9e3, 9e6, 9e9)			
a. Truck Trip		0.00	0.00
b.		0.00	0.00
c.		0.00	0.00
2. Monthly Charge for Lease of Remote Controls (Step C, Line 17, columns a-c)			
Remote Control Type 1:		0.32	0.32
Remote Control Type 2:		0.00	0.00
Remote Control Type 3:		0.00	0.00
3. Monthly Charge for Lease of Converter Boxes (Step D, Line 25, columns a-c)			
Converter Box Type 1: Non-Addressable		0.25	0.25
Converter Box Type 2: Addressable		7.66	7.66
Converter Box Type 3:		0.00	0.00
4. Monthly Charge for Lease of Other Equipment (Step E, Line 33)			
Other Equipment (Cable Card)		2.73	2.73
5. Charge for Changing Tiers (if any) (Step F, Line 34, 35 or 36c)			
		2.00	2.00

LABOR COST AND POLICY CHANGES

Indicate your answer to the following three questions by placing an "X" in the appropriate box

1. Have you included the labor costs associated with subscriber cable drops in your charges for initial installation?

YES
 NO

2. Have you capitalized the labor costs associated with subscriber cable drops?

YES
 NO

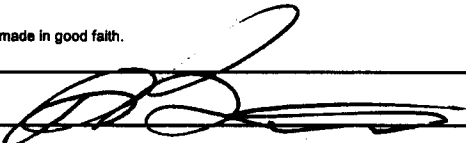
3. If you have filed this form before, have you changed any policy, e.g., cost accounting or cost allocation that causes an increase in the costs included in the computation of equipment and installations charges?

YES (You must attach a full explanation)
 NO

CERTIFICATION STATEMENT

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Name of the Cable Operator TIME WARNER CABLE	Signature  Richard K. Bennett
Date 09/30/2006	Title Vice President of Finance - Raleigh Division

<u>Community</u>	<u>CUID#</u>	<u>Community</u>	<u>CUID#</u>
Fayetteville	NC0001	Johnson County	NC0293
Fort Bragg	NC0002	Zebulon	NC0303
Dunn	NC0008	Knightdale	NC0304
Erwin	NC0009	Creedmoor	NC0305
Lumberlon	NC0013	Stem	NC0307
Chadbourn	NC0017	Wake Forest	NC0314
Whiteville	NC0018	Moore County	NC0315
Raleigh	NC0028	Farmville	NC0322
Aberdeen	NC0043	Pitt County	NC0324
Southern Pines	NC0044	Four Oaks	NC0325
Pinehurst	NC0045	Franklinton	NC0331
Selma	NC0063	Franklin County	NC0331
Smithfield	NC0064	Windell	NC0341
Clayton	NC0065	Durham County	NC0343
Fuquay-Varina	NC0066	Rolesville	NC0345
Apex	NC0067	Pope Air Force Base	NC0370
Hillborough	NC0068	Wake Co (Windell)	NC0416
Garner	NC0069	Wake Co (Wake For	NC0417
Hope Mills	NC0075	Brunswick	NC0422
Garner-Wake Co.	NC0078	Wake Co (Rolesville	NC0449
Cumberland County	NC0081	Holly Springs	NC0451
Spring Lake	NC0082	Wake Co - Morrisville	NC0452
Durham	NC0087	Black Creek	NC0457
Goldsboro	NC0096	Saraloga	NC0458
Red Springs	NC0100	Slatonsburg	NC0460
St. Pauls	NC0101	Chatham County	NC0468
Raeford	NC0102	Pittsboro	NC0470
Wilson	NC0110	Stedman	NC0472
Carboro	NC0130	Wake County - Raleigh	NC0512
Cary	NC0136	Columbus County	NC0566
Seymour Johnson AFB	NC0145	Robeson County	NC0567
Wayne County	NC0763	Parkton	NC0572
Pembroke	NC0207	Autryville	NC0573
Fairmont	NC0218	Robeson County - SI	NC0580
Mt. Olive	NC0226	Foxfire	NC0612
Chapel Hill	NC0234	Carrboron	NC0649
Pinebluff	NC0245	Durham County	NC0650
Elm City	NC0250	Robeson County	NC0760
Fremont	NC0251	Wake County - Zebu	NC0783
Pikeville	NC0252	Wake County - Knigl	NC0784
Pine Level	NC0253	Godwin	NC0785
Johnson Co	NC0255	Wade	NC0786
Orange County	NC0256	Falcon	NC0788
Wilson County	NC0257	TaylorTown	NC0891
Wake Co-Cary/Apex	NC0259	Hillsborough	NC0936
Granville County	NC0263	Lumber Bridge	NC0942
Hoke County	NC0271	Rennert	NC0969
Robeson County	NC0272	Wake Co - Fuquay-L	NC0970
Orange County	NC0276		
Morrisville	NC0277		
Wake Co-Holly Springs	NC0278		

Time Warner Cable
Raleigh Division
2007 FCC Form 2005 – Equipment Form
Explanations

General – The attached FCC Form 1205 is a company wide consolidated form for all of the consolidated Cable TV operations managed by Time Warner Cable. The following explanation represents the methodology used by the Time Warner Cable Raleigh Division as part of this Consolidated 1205 calculation.

1. Schedule C (Line B) Total Maintenance/Service Hours – Represents total Time Warner Cable Raleigh employee hours dedicated to spending time physically handling converter boxes or remotes, or talking on the phone to customers regarding converter/remotesales or service issues. These hours typically include time spent by TWC installers and service technicians, warehouse employees, dispatch and customer service agents.
2. Schedule D: Average Hours per Installation – Represents time spent on average by installer for unwired and wired installations for primary and additional outlets. Includes total time spent at customer home plus the drive time to and from the customer home.
3. Step A: Hourly Service Charge (Line 4) – Represents total time spent on installation, service, and maintenance which specifically relates to the installation, service, and maintenance of customer equipment (converters and remotes) based on current experience.

**TIME WARNER CABLE - RALEIGH DIVISION
SUMMARY OF 2007 BST RATE CHANGES
EXHIBIT 1**

October 30th, 2006

CUID #: NC-0234
COMMUNITY: Chapel Hill

Below is a brief summary of your franchise BST rate as computed using FCC Forms 1240 and 1235 Cost of Service Filing.

MPR PER FCC FORM 1240	COST OF SERVICE FILING (FORM 1235)	TOTAL MAXIMUM BST RATE	TWC 2007 BST RATE SELECTED
\$13.91		\$13.91	\$13.91

ENCLOSURES:

FCC Form 1240 with Channel Lineups
12
NC-0110

NOTE: Please note that the FCC Form 1235 cost of upgrade is no longer included in the TWC 2007 BST selected rate.

**FCC FORM 1240
UPDATING MAXIMUM PERMITTED RATES FOR REGULATED CABLE SERVICES**

Cable Operator:

Name of Cable Operator TIME WARNER CABLE		
Mailing Address of Cable Operator 101 Innovation Ave., Suite 100		
City Morrisville	State NC	ZIP Code 27560

1. Does this filing involve a single franchise authority and a single community unit?

YES	NO
X	

If yes, complete the franchise authority information below and enter the associated CUID number here:

NC-0234

2. Does this filing involve a single franchise authority but multiple community units?

YES	NO
	X

If yes, enter the associated CUIDs below and complete the franchise authority information at the bottom of this page:

--

3. Does this filing involve multiple franchise authorities?

If yes, attach a separate sheet for each franchise authority and include the following franchise authority information with its associated CUID(s):

Franchise Authority Information:

Name of Local Franchising Authority TOWN OF CHAPEL HILL		
Mailing Address of Local Franchising Authority 306 N. COLUMBIA STREET		
City CHAPEL HILL	State NC	ZIP Code 27516
Telephone number	Fax Number	

4. For what purpose is this Form 1240 being filed? Please put an "X" in the appropriate box.

- a. Original Form 1240 for Basic Tier
- b. Amended Form 1240 for Basic Tier
- c. Original Form 1240 for CPS Tier
- d. Amended Form 1240 for CPS Tier

X

5. Indicate the one year time period for which you are setting rates (the Projected Period).

TO	
02/07	1/08

(mm/yy)

6. Indicate the time period for which you are performing a true-up.

TO	
10/05	09/06

(mm/yy)

7. Status of Previous Filing of FCC Form 1240 (enter an "x" in the appropriate box)

- a. Is this the first FCC Form 1240 filed in any jurisdiction?
- b. Has an FCC Form 1240 been filed previously with the FCC?

YES	NO
	X
	X

If yes, enter the date of the most recent filing:

	(mm/dd/yy)
--	------------

- c. Has an FCC Form 1240 been filed previously with the Franchising Authority?

YES	NO
X	

If yes, enter the date of the most recent filing:

12/05/05	(mm/dd/yy)
-----------------	------------

8. Status of Previous Filing of FCC Form 1210 (enter an "x" in the appropriate box)

YES NO

a. Has an FCC Form 1210 been previously filed with the FCC?

	X
--	----------

If yes, enter the date of the most recent filing:

	(mm/dd/yy)
--	------------

YES	NO
-----	----

b. Has an FCC Form 1210 been previously filed with the Franchising Authority?

X	
----------	--

If yes, enter the date of the most recent filing:

05/25/95	(mm/dd/yy)
-----------------	------------

9. Status of FCC Form 1200 Filing (enter an "x" in the appropriate box)

a. Has an FCC Form 1200 been previously filed with the FCC?

YES	NO
	X

If yes, enter the date filed:

	(mm/dd/yy)
--	------------

YES	NO
-----	----

b. Has an FCC Form 1200 been previously filed with the Franchising Authority?

X	
----------	--

If yes, enter the date filed:

08/05/94	(mm/dd/yy)
-----------------	------------

10. Cable Programming Services Complaint Status (enter an "x" in the appropriate box)

a. Is this form being filed in response to an FCC Form 329 complaint?

YES	NO
	X

If yes, enter the date of the complaint:

	(mm/dd/yy)
--	------------

YES	NO
-----	----

11. Is FCC Form 1205 Being Included With This Filing

X	
----------	--

12. Selection of "Going Forward" Channel Addition Methodology (enter an "x" in the appropriate box)

Check here if you are using the original rules [MARKUP METHOD].

Check here if you are using the new, alternative rules [CAPS METHOD].

If using the CAPS METHOD, have you elected to revise recovery for channels added during the period May 15, 1994 to Dec. 31, 1994?

YES	NO

13. Headend Upgrade Methodology

**NOTE: Operators must certify to the Commission their eligibility to use this upgrade methodology and attach an equipment list and depreciation schedule.*

Check here if you are a qualifying small system using the streamlined headend upgrade methodology.

Part I: Preliminary Information

Module A: Maximum Permitted Rate From Previous Filing

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
A1	Current Maximum Permitted Rate	\$13.3316				

Module B: Subscribership

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
B1	Average Subscribership For True-Up Period 1	358				
B2	Average Subscribership For True-Up Period 2					
B3	Estimated Average Subscribership For Projected Period	363				

Module C: Inflation Information

Line	Line Description		
C1	Unclaimed Inflation: Operator Switching From 1210 To 1240		1.0000
C2	Unclaimed Inflation: Unregulated Operator Responding to Rate Complaint		1.0000
C3	Inflation Factor For True-Up Period 1 [Wks 1]		1.0330
C4	Inflation Factor For True-Up Period 2 [Wks 1]		
C5	Current FCC Inflation Factor		1.0331

Module D: Calculating the Base Rate

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
D1	Current Headend Upgrade Segment					
D2	Current External Costs Segment	\$1.3894				
D3	Current Caps Method Segment					
D4	Current Markup Method Segment					
D5	Current Channel Movement and Deletion Segment					
D6	Current True-Up Segment	\$0.6253				
D7	Current Inflation Segment	\$0.2836				
D8	Base Rate [A1-D1-D2-D3-D4-D5-D6-D7]	\$11.0333				

**Part II: True-Up Period
Module E: Timing Information**

Line	Line Description		
E1	What Type of True-Up Is Being Performed? (Answer "1", "2", or "3". See Instructions for a description of these types.) If "1", go to Module I. If "2", answer E2 and E3. If "3", answer E2, E3, E4, and E5.		2
E2	Number of Months in the True-Up Period 1		12
E3	Number of Months between the end of True-Up Period 1 and the end of the most recent Projected Period		3
E4	Number of Months in True-Up Period 2 Eligible for Interest		
E5	Number of Months True-Up Period 2 Ineligible for Interest		

Module F: Maximum Permitted Rate For True-Up Period 1

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
F1	Caps Method Segment For True-Up Period 1 [Wks 2]					
F2	Markup Method Segment For True-Up Period 1 [Wks 3]					
F3	Chan Mvmnt Deletn Segment For True-Up Period 1 [Wks' 4/5]					
F4	True-Up Period 1 Rate Eligible For Inflation [D8+F1+F2+F3]	\$11.0333				
F5	Inflation Segment for True-Up Period 1 [(F4*C3)-F4]	\$0.3644				
F6	Headend Upgrade Segment For True-Up Period 1 [Wks 6]					
F7	External Costs Segment For True-Up Period 1 [Wks 7]	\$1.0358				
F8	True-Up Segment For True-Up Period 1	\$0.6672				
F9	Max Perm Rate for True-Up Period 1 [F4+F5+F6+F7+F8]	\$13.1007				

Module G: Maximum Permitted Rate For True-Up Period 2

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
G1	Caps Method Segment For True-Up Period 2 [Wks 2]					
G2	Markup Method Segment For True-Up Period 2 [Wks 3]					
G3	Chan Mvmt Deletn Segment For True-Up Period 2 [Wks' 4/5]					
G4	TU Period 2 Rate Eligible For Inflation [D8+F5+G1+G2+G3]					
G5	Inflation Segment for True-Up Period 2 [(G4*C4)-G4]					
G6	Headend Upgrade Segment For True-Up Period 2 [Wks 6]					
G7	External Costs Segment For True-Up Period 2 [Wks 7]					
G8	True-Up Segment For True-Up Period 2					
G9	Max Perm Rate for True-Up Period 2 [G4+G5+G6+G7+G8]					

Module H: True-Up Adjustment Calculation

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
Adjustment For True-Up Period 1						
H1	Revenue From Period 1	\$53,205.9434				
H2	Revenue From Max Permitted Rate for Period 1	\$56,257.7543				
H3	True-Up Period 1 Adjustment [H2-H1]	\$3,051.8109				
H4	Interest on Period 1 Adjustment	\$262.3246				
Adjustment For True-Up Period 2						
H5	Revenue From Period 2 Eligible for Interest					
H6	Revenue From Max Perm Rate for Period 2 Eligible For Interest					
H7	Period 2 Adjustment Eligible For Interest [H6-H5]					
H8	Interest on Period 2 Adjustment (See instructions for formula)					
H9	Revenue From Period 2 Ineligible for Interest					
H10	Revenue From Max Perm Rate for Period 2 Ineligible for Interest					
H11	Period 2 Adjustment Ineligible For Interest [H10-H9]					
Total True-Up Adjustment						
H12	Previous Remaining True-Up Adjustment					
H13	Total True-Up Adjustment [H3+H4+H7+H8+H11+H12]	\$3,314.1355				
H14	Amount of True-Up Claimed For This Projected Period	\$3,314.1355				
H15	Remaining True-Up Adjustment [H13-H14]	\$0.0000				

Part III: Projected Period Module I: New Maximum Permitted Rate

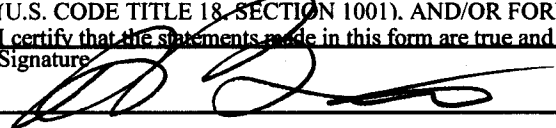
Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
I1	Caps Method Segment For Projected Period [Wks 2]					
I2	Markup Method Segment For Projected Period [Wks 3]					
I3	Chan Mvmnt Deletn Segment For Projected Period [Wks 4/5]					
I4	Proj. Period Rate Eligible For Inflation [D8+F5+G5+I1+I2+I3]	\$11.3977				
I5	Inflation Segment for Projected Period [(I4*C5)-I4]	\$0.3773				
I6	Headend Upgrade Segment For Projected Period [Wks 6]					
I7	External Costs Segment For Projected Period [Wks 7]	\$1.3758				
I8	True-Up Segment For Projected Period	\$0.7604				
I9	Max Permitted Rate for Projected Period [I4+I5+I6+I7+I8]	\$13.9111				
I10	Operator Selected Rate For Projected Period	\$13.9111				

Note: The maximum permitted rate figures do not take into account any refund liability you may have. If you have previously been ordered by the Commission or your local franchising authority to make refunds, you are not relieved of your obligation to make such refunds even if the permitted rate is higher than the contested rate or your current rate.

Certification Statement

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Signature 	Date 10/25/06
Name and Title of Person Completing this Form: Richard Bennett, Raleigh Division Vice President of Finance	
Telephone number (919) 573-7115	Fax Number (919) 573-7042

Worksheet 1 - True-Up Period Inflation

For instructions, see Appendix A of Instructions For FCC Form 1240

Line	Period	FCC Inflation Factor
101	Month 1	3.47%
102	Month 2	3.47%
103	Month 3	3.47%
104	Month 4	3.12%
105	Month 5	3.12%
106	Month 6	3.12%
107	Month 7	3.31%
108	Month 8	3.31%
109	Month 9	3.31%
110	Month 10	3.31%
111	Month 11	3.31%
112	Month 12	3.31%
113	Average Inflation Factor for True-Up Period 1	1.0330
114	Month 13	
115	Month 14	
116	Month 15	
117	Month 16	
118	Month 17	
119	Month 18	
120	Month 19	
121	Month 20	
122	Month 21	
123	Month 22	
124	Month 23	
125	Month 24	
126	Average Inflation Factor for True-Up Period 2	

Worksheet 7 - External Costs True-Up Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
X	
	12

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
------	------------------	------------	-------------	-------------	-------------	-------------

Period 1

External Costs Eligible for Markup						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$3,680.36				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$475.13				
704	External Costs Eligible For 7.5% Markup	\$4,155.49				
705	Marked Up External Costs	\$4,467.1551				
External Costs Not Eligible for Markup						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period					
708	Commission Regulatory Fees For Period	(\$19,0742)				
709	Total External Costs For Period	\$4,448.0809				
710	Monthly, Per-Subscriber External Costs For Period 1	\$1.0358				

Period 2

External Costs Eligible for Markup						
711	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period					
712	Retransmission Consent Fees For Period					
713	Copyright Fees For Period					
714	External Costs Eligible For 7.5% Markup					
715	Marked Up External Costs					
External Costs Not Eligible for Markup						
716	Cable Specific Taxes For Period					
717	Franchise Related Costs For Period					
718	Commission Regulatory Fees For Period					
719	Total External Costs For Period					
720	Monthly, Per-Subscriber External Costs For Period 2					

Worksheet 7 - External Costs Projected Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
	X
	12
	0

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
Period 1						
External Costs Eligible for Markup						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$4,829.10				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$482.26				
704	External Costs Eligible For 7.5% Markup	\$5,311.35				
705	Marked Up External Costs	\$5,709.7046				
External Costs Not Eligible for Markup						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period					
708	Commission Regulatory Fees For Period	\$286.95				
709	Total External Costs For Period	\$5,996.6510				
710	Monthly, Per-Subscriber External Costs For Period 1	\$1.3758				

Worksheet 8 - True-Up Rate Charged

For instructions, see Appendix A of Instructions For FCC Form 1240

Question 1. How long is the True-Up Period 1, in months?

12

Question 2. How long is the True-Up Period 2, in months?

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
801	Month 1	\$12.3900				
802	Month 2	\$12.3900				
803	Month 3	\$12.3900				
804	Month 4	\$12.3900				
805	Month 5	\$12.3900				
806	Month 6	\$12.3900				
807	Month 7	\$12.3900				
808	Month 8	\$12.3900				
809	Month 9	\$12.3900				
810	Month 10	\$12.3900				
811	Month 11	\$12.3900				
812	Month 12	\$12.3900				
813	Period 1 Average Rate	\$12.3900				

814	Month 13					
815	Month 14					
816	Month 15					
817	Month 16					
818	Month 17					
819	Month 18					
820	Month 19					
821	Month 20					
822	Month 21					
823	Month 22					
824	Month 23					
825	Month 24					
826	Period 2 Average Rate					

Time Warner Cable - Raleigh Division

FCC 1240 - Basic Tier Service (BST) Lineup

**System: Chapel Hill, Orange Cnty, Granville Cnty, Durham Cnty,
Chatham County, Pittsboro, Carrboro, Hillsborough**

**2005 True-up
Channel Lineups
2007 FCC 1240 Filing**

10/05-03/06

0 TV Guide Channel
2 WNCN NBC
3 WRAL CBS
4 Educational Access
5 WRAY IND
6 WTVD ABC
7 Home Buyers Channel
8 Community Programming
9 UNC PBS
10 WLFLWB
11 WUVC UNIVISION
12 WRDC UPN
13 WRAZ FOX
14 News 14 Carolina
15 Home Shopping Network
16 QVC
18 C-SPAN 2
19 BET
20 Telefutera
21 WGN
22 WRPX i
24 Triangle TV

**2006 True-up
Channel Lineups
2007 FCC 1240 Filing**

04/06-09/06

0 TV Guide Channel
2 WNCN-TV(NBC)
3 WRAL-TV (CBS)
4 Educational Access
5 WRAY-TV (IND)
6 WTVD-TV (ABC)
7 Home Buyers Channel
8 Community Programmng
9 WUNC-TV (PBS)
10 WLFL-TV (WB)
11 WUVC-TV(~~UNI~~)
12 WRDC-TV (UPN)
13 WRAZ-TV (FOX)
14 NEWS-14
15 HSN
16 QVC
18 Gov. Access/C-SPAN2
19 BET
20 Telefutera
21 WGN
22 WRPX i
24 Triangle TV

**2007 Projected
Channel Lineups
2007 FCC 1240 Filing**

10/06-9/07

0 TV Guide Channel
2 WNCN-TV(NBC)
3 WRAL-TV (CBS)
4 Educational Access
5 WRAY-TV (IND)
6 WTVD-TV (ABC)
7 Home Buyers Channel
8 Community Programmng
9 WUNC-TV (PBS)
10 WLFL-TV (WB)
11 WUVC-TV (~~UNI~~)
12 WRDC-TV (UPN)
13 WRAZ-TV (FOX)
14 NEWS-14
15 HSN
16 QVC
18 Gov. Access/C-SPAN2
19 BET
20 Telefutera
21 WGN
22 WRPXi
24 Triangle TV

FCC FORM 1205
DETERMINING REGULATED EQUIPMENT AND INSTALLATION COSTS
EQUIPMENT FORK

Community Unit Identifier (CUI) of cable system TIME WARNER CABLE CONSOLIDATED		Date of Form Submission (mm/dd/yy) 09/30/06
Name of Cable Operator TIME WARNER CABLE		
Mailing Address of Cable Operator 101 Innovation Avenue, Suite 100		
City Morrisville	State NC	ZIP Code 27560
Name and Title of person completing this form: Richard K. Bennett - VP of Finance		
Telephone number 919-573-7115	Fax Number 919-573-7042	
Name of Local Franchising Authority See attached CUID Listing		
Mailing Address of Local Franchising Authority		
City	State	ZIP Code

1. This form is being filed: [Enter an "x" in the appropriate box]

In conjunction with FCC Form 1200, FCC Form 1220, or FCC Form 1225
 Attach the completed FCC Form 1200, FCC Form 1220, or FCC Form 1225 to the front of this form.

OR

In order to fulfill FCC rules requiring an annual filing of this form
 Enter the date on which you last filed this form: (mm/dd/yy)

Note: This should be the date on which the rates last justified, by using either FCC Form 393 or the prior filing of this form, were in effect.

2. Enter the date on which you closed your books for the fiscal year reflected in this form:

(mm/dd/yy)

Note: This will indicate the end of the 12-month fiscal year for which you are filing this form.

3. Indicate the corporate status of your cable system. Enter an "x" in the correct box]

- C-Corporation
- Subchapter S corporation
- Partnership
- Sole Proprietorship
- Other [Please explain below]

FCC FORM 1205

SCHEDULE A: CAPITAL COSTS OF SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT AND PLANT						
A	Equipment and Plant	Vehicles	Tools	Maintenance Facilities	Other 1. (Specify below)	Other 2. (Specify below)
B	Gross Book Value	91,059,568	44,064,833	49,740,395	39,539,969	7,917,280
C	Accumulated Depreciation	\$65,814,718	28,623,504	21,196,051	24,095,929	5,502,208
D	Deferred Taxes	1,587,981	2,599,315	-2,092,589	923,964	403,195
E	Net Book Value [B-(C+D)]	23,856,889	12,842,013	30,636,933	14,520,077	2,011,877
F	Rate of Return	11.25%				
G	Calculation of Gross-up Rate					
G1	Federal Income Tax Rate	35.00%				
G2	State Income Tax Rate	6.09%				
G3	Net Total Income Tax Rate [(G1+G2)-(G1 x G2)]	38.96%				
G4	Adjustment to Reflect Interest Deductibility					
G4a	Actual Interest Amount	464,000,000				
G4b	Total Net Assets	26,922,744,000				
G4c	Base Return on Investment Amount [G4b x F]	3,028,808,700				
G4d	Interest Deductibility Factor [G4a/G4c]	15.32%				
G5	Effective Tax Rate [G3 x (1-G4d)] [C-Corps skip to G7]	32.99%				
G8	Adjustments for Non-C Corporations					
G6a	Base Return on Investment Amount [G4c]	3,028,808,700				
G6b	Distributions	30,000,000				
G6c	Contributions (may not exceed G6b)	0				
G6d	Returns Subject to Income Tax [G6a-G6b+G6c]	2,998,808,700				
G6e	Returns Percentage Subject to Income Tax [G6d/G6a]	99.01%				
G7	Gross-Up Rate [C-Corps:1/(1-G5) Other:1/(1-G5 x G6e)]	1.49				
H	Grossed-Up Rate of Return [F x G7]	16.71%				
I	Return on Investment Grossed-Up for Taxes [E x H]	3,952,463	2,145,573	5,118,651	2,425,935	336,133
J	Current Provision for Depreciation	12,460,198	4,994,372	2,584,231	4,829,196	1,104,487
K	Annual Capital Costs [I+J]	16,412,661	7,139,945	7,702,882	7,255,131	1,440,620
L	GRAND TOTAL [sum of Line K entries]	39,951,239				

Box 1.

Specify: Other 1. Test Equipment, Computers, Office Furniture, Radios

Specify: Other 2. Leasehold Improvements

SCHEDULE B: ANNUAL OPERATING EXPENSES FOR SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT							
A		Salaries & Benefits	Supplies	Utilities	Other Taxes	Other 1. (Specify below)	Other 2. (Specify below)
A	Annual Op. Expenses for Service Install. and Maint. of Equip.	240,176,197	20,179,358	8,485,985	5,872,205	33,885,623	13,963,833
B	GRAND TOTAL [sum of Line A entries]	322,563,202					

Box 2.

Specify: Other 1. Vehicle Lease and Maintenance, Converter Control, Converter Rrepair, R&M, Contract Labor

Specify: Other 2. Office Rent, Customer Service, MIS, Supplies, Buildings, Insurance, Equipment Rent

SCHEDULE C: CAPITAL COSTS OF LEASED CUSTOMER EQUIPMENT								
A	Equipment	Remote 1	Remote 2	Remote 3	Converter 1	Converter 2	Converter 3	Other Equip.
B	Total Maint/Service Hours	217,997	0	0	6,025	1,878,506	0	786
C	Total # of Units in Service	6,391,910	0	0	102,803	6,706,180	0	15,536
D	Gross Book Value	56,720,495	0	0	4,274,544	2,567,981,381	0	1,137,267.79
E	Accumulated Depreciation	38,646,808	0	0	4,197,555	1,743,020,344	0	401,105
F	Deferred Taxes	-578,243	0	0	-7,852	37,651,309	0	-1,056
G	Net Book Value [D-(E+F)]	18,651,929	0	0	84,840	787,309,727	0	737,219
H	Grossed-Up Rate of Return [From Sched. A, Line H]	16.71%						
I	Return on Investment Grossed-Up for Taxes [G x H]	3,116,262	0	0	14,175	131,539,387	0	123,170
J	Current Provision for Depreciation	11,691,293	0	0	41,074	404,591,249	0	352,851
K	Annual Capital Costs [I + J]	14,807,555	0	0	55,248	536,130,636	0	476,021
L	GRAND TOTAL [sum of Line K entries]	551,469,460						

Box 3.

FCC FORM 1205

SCHEDULE D: AVERAGE HOURS PER INSTALLATION	
A. Average Hours per Unwired Home Installation (attach an explanation)	1.18
B. Average Hours per Pre-Wired Home Installation (attach an explanation)	0.79
C. Average Hours per Additional Connection Installation at Time of Initial Installation (attach an explanation)	0.51
D. Average Hours per Additional Connection Installation Requiring Separate Installation (attach an explanation)	0.79
E. Other Installation (by Item Type):	
Item 1. Truck Trip	
Average Hours per Installation (attach an explanation)	0.00
Item 2. (Specify)	
Average Hours per Installation (attach an explanation)	0.00
Item 3. (Specify)	
Average Hours per Installation (attach an explanation)	0.00

WORKSHEET FOR CALCULATING PERMITTED EQUIPMENT AND INSTALLATION CHARGES	
STEP A. Hourly Service Charge	
1 Total Capital Costs of Installation and Maintenance [Schedule A, Box 1]	39,951,239
2 Total Annual Operating Expenses for Installation and Maintenance [Schedule B, Box 2]	322,563,202
3 Total Capital Costs and Operating Expenses for Installation and Maintenance [Line 1 + Line 2]	362,514,441
4 Customer Equipment and Installation Percentage (attach an explanation)	81.57%
5 Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment [Line 3 x Line 4]	295,711,671
6 Total Labor Hours for Maintenance and Installation of Customer Equipment and Services	6,883,419
7 Hourly Service Charge (HSC) (Line 5/Line 6)	42.96

ACTIONS (place an "x" in the appropriate box)	
<input type="checkbox"/>	Installations billed by the hour based on the HSC calculated in Line 7.
<input checked="" type="checkbox"/>	Installations billed as a standard charge.

STEP B. Installation Charge	
8 Uniform HSC for all installations (From Step A, line 7)	n/a
OR	
9 Average Charge for Installation Types	
a. Unwired Home Installation	
a1. HSC [Line 7]	42.96
a2. Average Hours per Unwired Home Installation (Schedule D, Line A)	1.18
a3. Charge per Unwired Home Installation [a1 x a2]	50.51
b. Pre-wired Home Installation	
b1. HSC [Line 7]	42.96
b2. Average Hours per Pre-wired Home Installation (Schedule D, Line B)	0.79
b3. Charge per Pre-wired Home Installation [b1 x b2]	33.74
c. Additional Connection Installation at Time of Initial Installation	
c1. HSC [Line 7]	42.96
c2. Average Hours per Additional Connection Installation at Time of Init. Install. [Schedule D, Line C]	0.51
c3. Charge per Additional Connection Installation at Time of Initial Installation [c1 x c2]	22.10
d. Additional Connection Installation Requiring Separate Installation	
d1. HSC [Line 7]	42.96
d2. Avg. Hours per Additional Connection Installation Req. Separate Installation [Schedule D, Line D]	0.79
d3. Charge per Additional Connection Installation Requiring Separate Installation [d1 x d2]	34.06
e. Other Installations (As specified in Schedule D, Line E):	
e1. HSC [Line 7]	42.96
e2. Average Hours per Installation of Item 1 [Schedule D, Line E, Item 1]	0.00
e3. Charge per Installation of Item 1 [e1 x e2]	0.00
e4. HSC [Line 7]	42.96
e5. Average Hours per Installation of Item 2 [Schedule D, Line E, Item 2]	0.00
e6. Charge per Installation of Item 2 [e4 x e5]	0.00
e7. HSC [Line 7]	42.96
e8. Average Hours per Installation of Item 3 [Schedule D, Line E, Item 3]	0.00
e9. Charge per Installation of Item 3 [e7 x e8]	0.00

Charges for leased Remotes			
(Calculate separately for each significantly different type)			
	a	b	c
	Remote 1	Remote 2	Remote 3
10 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	217,997	0	0
11 HSC [Line 7]	42.96	42.96	42.96
12 Total Maintenance/Service Cost [Line 10 x Line 11]	9,365,138	0.00	0.00
13 Annual Capital Costs [Corresponding column from Schedule C, Line K]	14,807,565	0.00	0.00
14 Total Cost of Remote [Line 12 + Line 13]	24,172,694	0.00	0.00
15 Number of Units in Service [Corresponding column from Schedule C, Line C]	6,391,910	0	0
16 Unit Cost [Line 14/Line 15]	3.78	0.00	0.00
17 Rate per Month [Line 16/(12)]	0.32	0.00	0.00

Charges for leased Converter Boxes			
(Calculate separately for each significantly different type)			
	a	b	c
	Converter 1	Converter 2	Converter 3
18 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	6,025	1,878,506	0
19 HSC [Line 7]	42.96	42.96	42.96
20 Total Maintenance/Service Cost [Line 18 x Line 19]	258,822	80,700,608	0.00
21 Annual Capital Costs [Corresponding column from Schedule C, Line K]	55,248	536,130,636	0.00
22 Total Cost of Converter [Line 20+ Line 21]	314,070	616,831,243	0.00
23 Number of Units in Service [Corresponding column from Schedule C, Line C]	102,803	6,706,180	0
24 Unit Cost [Line 22/Line 23]	3.06	91.98	0.00
25 Rate per Month [Line 24/(12)]	0.25	7.66	0.00

Charges for Other Leased Equipment	
26 Total Maintenance/Service Hours [Corresponding column from Schedule C, Line B]	785.56
27 HSC [Line 7]	42.96
28 Total Maintenance/Service Cost [Line 26 x Line 27]	33,747.62
29 Annual Capital Costs [Corresponding column from Schedule C, Line K]	476,021.05
30 Total Cost of Equipment [Line 28+Line 29]	509,768.67
31 Number of Units in Service [Corresponding column from Schedule C, Line C]	15,536
32 Unit Cost [Line 30/Line 31]	32.81
33 Rate per Month [Line 32 / (12)]	2.73

METHOD OF BILLING FOR CHANGING SERVICE TIERS OR EQUIPMENT [place an "x" in the appropriate box]

as a Nominal Charge (Enter the nominal charge in Line 34)

as a Uniform Hourly Service Charge

as an Average Charge (Enter the Average Hours for Changing Service Tiers in Line 36b.)

STEP F. Charges for Changing Service Tiers or Equipment	
34 Nominal Charge for Changing Service Tiers	2.00
If you use an escalating scale of charges, place an "x" in the box at the right.	
OR	
35 Uniform Hourly Service Charge	n/a
OR	
36 Average Charge for Changing Service Tiers	
36a. HSC [Line 7]	42.96
36b. Average Hours to Change Service Tiers	
36c. Average Charge for Changing Service Tiers [Line 36a x Line 36b]	n/a

WORKSHEET FOR CALCULATING TOTAL EQUIPMENT AND INSTALLATION COSTS	
1 Total Capital Costs of Installation and Maintenance [Schedule A, Box 1]	39,951,239
2 Total Annual Operating Expenses for Installation and Maintenance [Schedule B, Box 2]	322,563,202
3 Total Annual Capital Costs of Installation and Maintenance [Line 1 + Line 2]	362,514,441
4 Customer Equipment and Installation Percentage (attach explanation)	100%
5 Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment [Line 3 x Line 4]	362,514,441
6 Total Capital Costs of Leased Customer Equipment [Schedule C, Box 3]	551,469,460
7 Annual Customer Equipment and Installation Costs [Line 5 + Line 6]	913,983,901
8 Percentage Allocation to Franchise Area (see instructions)	100%
9 Allocated Annual Equipment and Installation Cost [Line 7 x Line 8]	913,983,901
10 Monthly Equipment and Installation Cost [Line 9 / (12)]	76,165,325
11 Number of Basic Subscribers in Franchise	7,611,176
12 Monthly Equipment and Installation Cost per Subscriber [Line 10 / Line 11]	10.01
13 Inflation Adjustment Factor [See instructions]	100%
14 Adjusted Monthly Equipment and Installation Cost per Subscriber [Line 12 x Line 13]	10.01

SUMMARY SCHEDULE

Current Equipment and Installation Rates	Permitted	Actual
1. Charges for Cable Service Installations		
a. Hourly Rate (Step A, Line 7)	n/a	
b. Average Installation Charges:		
1. Installation of Unwired Homes (Step B, Line 9a3)	50.51	50.51
2. Installation of Prewired Homes (Step B, Line 9b3)	33.74	33.74
3. Installation of Additional Connections at Time of Initial Installation (Step B, Line 9c3)	22.10	22.10
4. Installation of Additional Connections Requiring Separate Install (Step B, Line 9d3)	34.06	34.06
5. Other installations (specify) (Step B, Lines 9e3, 9e6, 9e9)		
a. Truck Trip	0.00	0.00
b.	0.00	0.00
c.	0.00	0.00
2 Monthly Charge for Lease of Remote Controls (Step C, Line 17, columns a-c)		
Remote Control Type 1:	0.32	0.32
Remote Control Type 2:	0.00	0.00
Remote Control Type 3:	0.00	0.00
3 Monthly Charge for Lease of Converter Boxes (Step D, Line 25, columns a-c)		
Converter Box Type 1: Non-Addressable	0.25	0.25
Converter Box Type 2: Addressable	7.66	7.66
Converter Box Type 3:	0.00	0.00
4 Monthly Charge for Lease of Other Equipment (Step E, Line 33)		
Other Equipment (Cable Card)	2.73	2.73
5 Charge for Changing Tiers (if any) (Step F, Line 34, 35 or 36c)		
	2.00	2.00

LABOR COST AND POLICY CHANGES

Indicate your answer to the following three questions by placing an "x" in the appropriate box

1. Have you included the labor costs associated with subscriber cable drops in your charges for initial installation?

YES
 NO

2. Have you capitalized the labor costs associated with subscriber cable drops?

YES
 NO

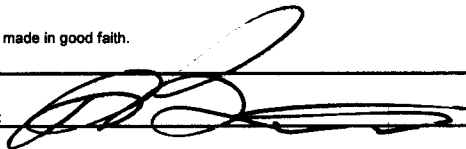
3. If you have filed this form before, have you changed any policy, e.g., cost accounting or cost allocation that causes an increase in the costs included in the computation of equipment and installations charges?

YES (You must attach a full explanation)
 NO

CERTIFICATION STATEMENT

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Name of the Cable Operator TIME WARNER CABLE	Signature  Richard K. Bennett
Date 09/30/2006	Title Vice President of Finance - Raleigh Division

<u>Community</u>	<u>CUID#</u>	<u>Community</u>	<u>CUID#</u>
Fayetteville	NC0001	Johnson County	NC0293
Fort Bragg	NC0002	Zebulon	NC0303
Dunn	NC0008	Knightdale	NC0304
Erwin	NC0009	Creedmoor	NC0305
Lumberton	NC0013	Stem	NC0307
Chadbourn	NC0017	Wake Forest	NC0314
Whiteville	NC0018	Moore County	NC0315
Raleigh	NC0028	Farmville	NC0322
Aberdeen	NC0043	Pitt County	NC0324
Southern Pines	NC0044	Four Oaks	NC0325
Pinehurst	NC0045	Franklinton	NC0331
Selma	NC0063	Franklin County	NC0331
Smithfield	NC0064	Windell	NC0341
Clayton	NC0065	Durham County	NC0343
Fuquay-Varina	NC0066	Rolesville	NC0345
Apex	NC0067	Pope Air Force Base	NC0370
Hillborough	NC0068	Wake Co (Windell)	NC0416
Garner	NC0069	Wake Co (Wake For	NC0417
Hope Mills	NC0075	Brunswick	NC0422
Garner-Wake Co.	NC0078	Wake Co (Rolesville	NC0449
Cumberland County	NC0081	Holly Springs	NC0451
Spring Lake	NC0082	Wake Co * Morrisville	NC0452
Durham	NC0087	Black Creek	NC0457
Goldsboro	NC0096	Saratoga	NC0458
Red Springs	NC0100	Statonsburg	NC0460
St. Pauls	NC0101	Chatham County	NC0468
Raeford	NC0102	Pittsboro	NC0470
Wilson	NC0110	Stedman	NC0472
Carboro	NC0130	Wake County - Raleigh	NC0512
Cary	NC0136	Columbus County	NC0566
Seymour Johnson AFB	NC0145	Robeson County	NC0567
Wayne County	NC0763	Parkton	NC0572
Pembroke	NC0207	Autryville	NC0573
Fairmont	NC0218	Robeson County * S	NC0580
Mt. Olive	NC0226	Foxfire	NC0612
Chapel Hill	NC0234	Carrboron	NC0649
Pinebluff	NC0245	Durham County	NC0650
Elm City	NC0250	Robeson County	NC0760
Fremont	NC0251	Wake County * Zebu	NC0783
Pikeville	NC0252	Wake County * Knigl	NC0784
Pine Level	NC0253	Godwin	NC0785
Johnson Co	NC0255	Wade	NC0786
Orange County	NC0256	Falcon	NC0788
Wilson County	NC0257	TaylorTown	NC0891
Wake Co-Cary/Apex	NC0259	Hillsborough	NC0936
Granville County	NC0263	Lumber Bridge	NC0942
Hoke County	NC0271	Rennert	NC0969
Robeson County	NC0272	Wake Co - Fuquay-V	NC0970
Orange County	NC0276		
Morrisville	NC0277		
Wake Co-Holly Springs	NC0278		

Time Warner Cable
Raleigh Division
2007 FCC Form 2005 – Equipment Form
Explanations

General – The attached FCC Form 1205 is a company wide consolidated form for all of the consolidated Cable TV operations managed by Time Warner Cable. The following explanation represents the methodology used by the Time Warner Cable Raleigh Division as part of this Consolidated 1205 calculation.

1. Schedule C (Line B) Total Maintenance/Service Hours – Represents total Time Warner Cable Raleigh employee hours dedicated to spending time physically handling converter boxes or remotes, or talking on the phone to customers regarding converter/remote sales or service issues. These hours typically include time spent by TWC installers and service technicians, warehouse employees, dispatch and customer service agents.
2. Schedule D: Average Hours per Installation – Represents time spent on average by installer for unwired and wired installations for primary and additional outlets. Includes total time spent at customer home plus the drive time to and from the customer home.
3. Step A: Hourly Service Charge (Line 4) – Represents total time spent on installation, service, and maintenance which specifically relates to the installation, service, and maintenance of customer equipment (converters and remotes) based on current experience.