

101 Innovation Avenue
Suite 100
Morrisville, NC 27560



March 31, 2004

Mr. W. Calvin Horton
Town Manager
Town of Chapel Hill
306 N. Columbia Street
Chapel Hill, NC 27516-2124

Re: 2003 Annual Time Warner Cable Report

Dear Mr. Horton:

Please find attached Time Warner Cable's Annual Report to the Town of Chapel Hill for the calendar year 2003 as specified by section 2.13 of the franchise agreement. If you have any questions concerning this material, please call me at 573-7111.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andi Curtis", with a long horizontal line extending to the right.

Andi Curtis
Public Affairs Manager
Time Warner Cable

Cc : Paul Baccellieri
Brad Phillips

**TOWN OF CHAPEL HILL
2002 ANNUAL REPORT**

INDEX

1. Rates and Charges - Current Price List
2. Programs and Services - Current Channel Line Up
3. Public, Governmental and Educational Access
 - No Longer operated by Time Warner
4. Customer Service
 - Summary of Complaints
 - System Outage Summary
 - Results of most recent Subscriber Survey (submitted in September 2003)
5. Filings with FCC
 - Summary of Filings with FCC
6. Performance Test in Franchise
7. Franchise Fee Payments
8. Completion of Construction
 - Upgrade/Rebuild Summary

The system was upgraded to 750 MHz in 1998 using fiber-to-node architecture, improving picture and sound quality, increasing signal reliability and expanding channel capacity.