



COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF  
TELECOMMUNICATIONS & ENERGY  
Cable Television Division**

ORDER ON REFUND PLAN

CTV 03-4

Review by the Cable Television Division of the Department of Telecommunications and Energy of Federal Communications Commission Forms 1240 and 1205 filed by Time Warner Cable, Inc.

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**APPEARANCES:**

Nancy P. Karm  
Vice President, Finance  
Peter M. Taubkin  
Vice President, Government Relations & Public Affairs  
Time Warner Cable  
1021 High Bridge Road  
Schenectady, NY 12303  
FOR: TIME WARNER CABLE, INC.  
Petitioner

On September 21, 2004, the Cable Television Division (“Cable Division”) of the Department of Telecommunications and Energy rejected Time Warner Cable, Inc.’s (“Time Warner” or “the Company”) proposed basic service tier rates for Dalton, Pittsfield and Richmond (“Pittsfield System”). Time Warner Cable, Inc., CTV 03-4 (2004). The Cable Division directed Time Warner to recalculate its Federal Communications Commission (“FCC”) Form 1240 for the Pittsfield System to remove all programming costs associated with Capital News 9, and to refund any overcharges resulting from the Company’s proposed treatment of these costs. Id. at 12. Time Warner submitted a refund plan on October 4, 2004. Nonetheless, Time Warner appealed the Cable Division’s Rate Order to the FCC on October 14, 2004. The Company requested that the Cable Division agree to delay implementation of the refunds pending the resolution of the appeal. The Cable Division granted a temporary delay in the implementation of the refunds, determining that subscribers would not be unduly harmed and that the public interest favors such a delay. Time Warner Cable, Inc., CTV 03-4, “Order on Compliance Filing” at 3 (December 16, 2004).

On July 15, 2005, the FCC denied Time Warner’s appeal of the Rate Order. Time Warner Cable Entertainment-Advance/Newhouse Partnership d/b/a Time Warner Cable, DA 05-2030 (2005). The FCC explicitly approved the Cable Division’s removal of the external costs for Capital News 9 from Time Warner’s rate calculation. Id. at 7, ¶ 13. Given that the FCC has affirmed the Cable Division’s order, Time Warner must now implement the refunds we ordered in Time Warner. We direct Time Warner to file with the Cable Division a revised and updated plan by which Time Warner will implement the refunds of past

overcharges to subscribers in the Pittsfield system. The refund plan should include the total amount of refund liability, the amount of the refund credited on each subscriber's bill, and the date on which the refunds will be paid. Time Warner is directed to submit this refund plan to the Cable Division or before July 29, 2005.

**By Order of the  
Department of Telecommunications and Energy  
Cable Television Division**

*/s/ Alicia C. Matthews*  
**Alicia C. Matthews**  
**Director**

Issued: July 19, 2005