

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 17, 2009

IN RE:

PETITION OF CHARTER FIBERLINK -TENNESSEE,
LLC FOR FINANCING APPROVAL

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DOCKET NO.
09-00018

ORDER APPROVING FINANCING TRANSACTIONS

This matter came before Chairman Eddie Roberson, Director Sara Kyle and Director Mary W. Freeman of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 30, 2009 for consideration of the *Petition for Financing Approval* (“*Petition*”) filed on February 6, 2009 by Charter Fiberlink – Tennessee (“Charter” or “Company”) for approval to engage in various financing transactions.

Charter is a member of a large corporate family whose ultimate corporate parent is Charter Communications, Inc. (“Charter Communications”). In Tennessee, Charter is authorized to provide facilities-based local exchange, interexchange and resold local telephone services pursuant to Authority order in Docket No. 03-00521 issued on February 23, 2004.

THE PETITION

Charter proposes to participate in a loan transaction (the “Credit Facility”) with various lenders (“the Lenders”) that provide the operating subsidiaries of Charter Communications with access to multiple secured revolving credit lines and term loans. The aggregate value of the term

loans and the maximum credit available under the various secured revolving credit lines under the Credit Facility total approximately eight billion dollars.

According to the *Petition*, almost all of Charter's affiliates entered into the Credit Facility on March 6, 2007, with the terms and conditions of the Credit Facility providing that Charter does not need to participate in the Credit Facility until it obtains Authority approval of the terms and conditions. Upon becoming a party to the Credit Facility, Charter, in the same manner as its affiliates, will become a guarantor under the Credit Facility and will grant a security interest in all of its assets to the Lenders as collateral. The *Petition* asserts further that Charter's parent will pledge all of its equity interests in Charter as collateral to the Lenders pursuant to the terms of the Credit Facility. The *Petition* notes that proceeds drawn from the Credit Facility have been and will be used as general working capital for Charter and its affiliates. The terms and conditions of the Credit Facility also permit Charter Communications' companies to use proceeds to fund certain potential investments.

FINDINGS AND CONCLUSIONS

Tenn. Code Ann. § 65-4-109 (2004) provides

No public utility shall issue any stocks, stock certificates, bonds, debentures, or other evidences of indebtedness payable in more than one (1) year from the date thereof, until it shall have first obtained authority from the authority for such proposed issue. It shall be the duty of the authority after hearing to approve any such proposed issue maturing more than one (1) year from the date thereof upon being satisfied that the proposed issue, sale and delivery is to be made in accordance with law and the purpose of such be approved by the authority.

At a regularly scheduled Authority Conference held on March 30, 2009, the panel voted unanimously to approve the *Petition* and made the following findings:

1. The proposed financing transaction is subject to Authority approval pursuant to Tenn. Code Ann. § 65-4-109 (2004).

2. The proposed financing transaction is being made in accordance with laws enforceable by this agency.


3. The proposed financing transaction is in the public interest because it will strengthen the Company's ability to compete through access to greater financial resources.

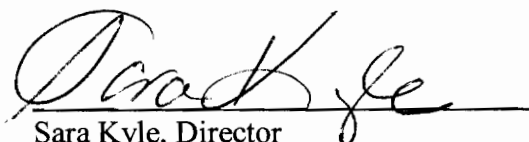
IT IS THEREFORE ORDERED THAT:

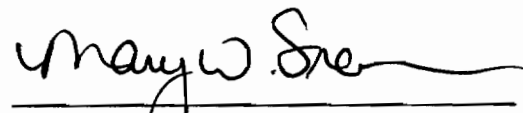
1. Charter Fiberlink - Tennessee, Inc. is authorized to enter into the financing transaction as described in the *Petition*.

2. The authorization and approval given hereby shall not be used by any party, including but not limited to, any lending party, for the purpose of inferring an analysis or assessment of the risks involved.

3. This decision is not intended to create any liability on the part of the Tennessee Regulatory Authority, the State of Tennessee or any political subdivision thereof.


Eddie Roberson, Chairman


Sara Kyle, Director


Mary W. Freeman, Director