

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**July 29, 2009**

**IN RE:**

**APPLICATION OF CHARTER FIBERLINK-TENNESSEE,  
LLC, DEBTOR-IN-POSSESSION, FOR AUTHORITY TO  
ENGAGE IN A REORGANIZATION TRANSACTION  
UNDER CHAPTER 11 OF THE UNITED STATES  
BANKRUPTCY CODE AND TO EMERGE FROM  
BANKRUPTCY**

**DOCKET NO.  
09-00063**

---

**ORDER APPROVING *APPLICATION***

---

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 June 29, 2009 for consideration of the *Application* filed on May 15, 2009 by Charter Fiberlink-Tennessee, LLC, Debtor-In-Possession (“Charter Fiberlink” or “Applicant”) for approval for Charter Communications Inc., Debtor-In-Possession (“Charter-DIP”) and its subsidiaries, including Charter Fiberlink, to effectuate a “pre-arranged” plan of reorganization under Chapter 11 of the United States Bankruptcy Code whereby Charter Communications, Inc. (“Charter”) and its subsidiaries will emerge from Bankruptcy.

Charter-DIP is a publicly held Delaware corporation that is the ultimate corporate parent of Charter Fiberlink. Charter-DIP is a diversified broadband communications company with operations in twenty-seven states and is the fourth-largest cable operator in the United States. Through its operating subsidiaries, Charter-DIP provides a full array of intrastate, interstate and international telephone services to residential and/or small business customers, including

traditional cable video programming (basic and digital video), high-speed Internet services, as well as advanced broadband services such as high definition television, on-demand video programming, and digital video recorder services.

Charter Fiberlink is a limited liability company and a wholly-owned subsidiary of Charter-DIP. In Tennessee, Charter Fiberlink has approximately 114,000 customers and is authorized to provide facilities-based local exchange and interexchange services pursuant to Authority Order in Docket No. 03-00521 issued on February 23, 2004.

### **THE APPLICATION**

Charter voluntarily began a Chapter 11 bankruptcy reorganization process on March 27, 2009 through filings with the United States Bankruptcy Court for the Southern District of New York, jointly captioned *In re Charter Communications, Inc.*, Case No. 09-11435 (Bankr. S.D.N.Y. March 27, 2009). Prior to those filings, Charter entered into separate agreements with the holders of certain of its subsidiaries' senior notes ("Noteholders") that collectively provide for the reorganization and recapitalization of Charter and its subsidiaries in a "pre-arranged" plan of reorganization under Chapter 11 of the Bankruptcy Code (collectively, the "Reorganization"). According to the *Application*, the Chapter 11 process is specifically designed to enable companies to continue to operate as usual while they develop and implement financial restructuring plans.

Upon completion of the Reorganization, Charter will be privately held, and its common stock will not be traded publicly. However, Charter will seek to list its Class A Common Stock for trading on the NASDAQ market prior to the later of (i) the 46<sup>th</sup> day after Charter's emergence from bankruptcy and (ii) October 15, 2009. Upon NASDAQ approval, Charter will regain its "public" company status.

Throughout the reorganization process and after its emergence from bankruptcy, Charter Fiberlink will continue to provide quality services in an uninterrupted manner. Charter Fiberlink will continue to provide local exchange and interexchange services in Tennessee under its same name and pursuant to its existing authorizations and tariffs. The *Application* further states the Reorganization represents a financial restructuring at the holding company level and will not result in any transfer or assignment of the authorizations or customers of Charter Fiberlink to a third party or affect the rates, terms and conditions under which Charter Fiberlink currently provides services to customers. As a result, the Reorganization will be transparent to customers of Charter Fiberlink in terms of the services that those customers receive.

#### **FINDINGS AND CONCLUSIONS**

Tenn. Code Ann. § 65-4-113(a) (2004) requires a public utility to obtain TRA approval to transfer its authority to provide utility services and provides:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) (2004) provides the standards by which the TRA shall consider an application for transfer of authority, which in pertinent part, states as follows:



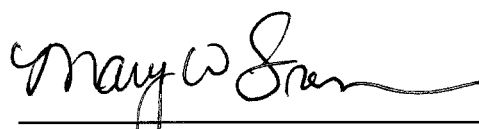
Upon application for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. The authority shall approve the transfer after consideration of all relevant factors and upon finding that such transfer furthers the public interest.

At a regularly scheduled Authority Conference held on June 29, 2009, the panel considered the *Application*. The panel found that the proposed Reorganization will serve the public interest by enhancing the financial qualifications of Charter Fiberlink and will benefit competition in the

Tennessee market by enabling Charter Fiberlink to continue to expand its provision of competitive services. The panel further found that the proposed Reorganization is not expected to adversely affect the managerial or technical capabilities or qualifications of Charter Fiberlink to provide service, and the Reorganization is expected to be transparent to both customers and the operations of Charter Fiberlink. Thereafter, the panel voted unanimously to approve the *Application* pursuant to Tenn. Code Ann. § 65-4-113(b) (2004) contingent upon approval of the Federal Communications Commission ("FCC").<sup>1</sup>

**IT IS THEREFORE ORDERED THAT:**

The *Application* filed on May 15, 2009 by Charter Fiberlink-Tennessee, LLC, Debtor-In-Possession, is approved contingent upon approval of the Federal Communications Commission. The Company shall file any documentation from the Federal Communications Commission regarding its subsequent action on this matter.

  
Eddie Roberson, Chairman  
Sara Kyle, Director  
Mary W. Freeman, Director

---

<sup>1</sup> Charter currently has a Domestic Section 214 Application pending before the FCC seeking consent to assign or transfer control and authorization of the licenses held by its operating subsidiaries as debtors-in-possession to the same post-Chapter 11 Charter operating subsidiaries with a new ownership structure in MB Docket No. 09-77.