

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION



In the Matter of
AMERICA ONLINE, INC., and
TIME WARNER INC.

Docket No. C-3989

Motion for Approval of Non-Affiliated ISP and Alternative
Cable Broadband ISP Service Agreement

Pursuant to Paragraph II.B.1. of the Decision and Order ("the Consent Decree") finalized by the Federal Trade Commission (the "Commission") on April 17, 2001,¹ AOL Time Warner Inc. ("AOLTW") moves the Commission for approval of (1) Internet Nebraska Corp. ("Internet Nebraska"), and (2) the Alternative Cable Broadband ISP Service Agreement entered into between Time Warner Cable ("TWC") and Internet Nebraska (the "Agreement") to provide cable broadband ISP service in TWC's Nebraska division.²

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I. Internet Nebraska.

AOL/TW seeks approval of Internet Nebraska and the Alternative Cable Broadband Agreement between TWC and Internet Nebraska dated January 28, 2002. The Agreement is based on the same economic model as the Agreement between TWC and EarthLink, Inc. ("EarthLink") that already has been approved by the Commission.

Internet Nebraska is the largest and most established regional ISP in Lincoln, Nebraska. Since its establishment in June 1994, Internet Nebraska has grown to serve CONFIDENTIAL
REDACTED subscribers in more than two hundred cities and towns in Iowa (area code 712), Kansas (area code 785), Nebraska (area codes 402 and 308), and South Dakota (area code 605).³

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Internet Nebraska places a strong emphasis on customer service and responsiveness to the needs of

³ See <<<http://www.inebraska.com/access.html>>>.

customers. In addition, Internet Nebraska draws upon a wealth of experience and knowledge as the oldest ISP based in Nebraska. Stephen Reichenbach, the president of Internet Nebraska, is also a professor in the Computer Science and Engineering Department at the University of Nebraska - Lincoln.

TWC believes that Internet Nebraska's positive financial position, wealth of experience as an ISP, established reputation in the region, and existing infrastructure to market and support ISP services will enable it to compete effectively as a cable broadband ISP.

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III. Conclusion.

The Cable Broadband ISP Service Agreement between TWC and Internet Nebraska is the first of several Alternative Cable Broadband ISP Service Agreements that will be submitted pursuant to Paragraph II.B.1. of the Decision and Order over the course of the next several months. The Agreement is reflective of the effort that TWC is making to negotiate and enter Alternative Cable Broadband ISP Service Agreements with regional ISPs that operate in areas outside of the Identified Cable Divisions. Prompt approval of the Internet Nebraska Agreement and other Alternative Cable Broadband ISP Service Agreements submitted pursuant to Paragraph II.B.1. of the Decision and Order will hasten the process of providing consumers with the benefits of cable broadband multiple ISP service.


TWC believes that the inclusion of Internet Nebraska on the list of ISPs that will be launched in the

Nebraska division will benefit consumers. Expeditious approval by the Commission of Internet Nebraska will permit Internet Nebraska to move quickly to prepare for the launch of cable broadband ISP service in the Nebraska division.

For the foregoing reasons, the approval of Internet Nebraska by the Commission is warranted and in the public interest. We and AOLFW's representatives are available to meet with the Staff of the Commission to answer questions and provide further information in connection with any of the foregoing matters.

February 14, 2002.

Respectfully submitted,
CRAVATH, SWAINE & MOORE,


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