

BRESNAN

Communications

Bresnan Communications
One Manhattanville Road
Purchase, NY 10577-2596
Tel: 914.641.3300
Fax: 914.641.3301
www.bresnan.com

August 7, 2008

The Honorable John D. Dingell
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2328 Rayburn House Office Building
Washington, D.C. 20515-2215

The Honorable Joe Barton
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2109 Rayburn House Office Building
Washington, D.C. 20515-4306

The Honorable Edward J. Markey
Chairman
Subcommittee on Telecommunications
and the Internet
U.S. House of Representatives
2108 Rayburn House Office Building
Washington, D.C. 20515-2107

The Honorable Cliff Stearns
Ranking Member
Subcommittee on Telecommunications
and the Internet
U.S. House of Representatives
2370 Rayburn House Office Building
Washington, D.C. 20515-0906

Gentlemen:

I am responding to your August 1, 2008 letter asking whether, as an Internet network operator, Bresnan Communications engages in certain data collection practices to tailor Internet advertising based on a consumer's web surfing activity. I can assure you that Bresnan Communications recognizes its obligation to protect subscriber privacy and makes every effort to ensure that its practices comply with applicable law. We look forward to working with you and the Committee on this important matter.

Earlier this year, we concluded a test of enhanced Internet advertising with NebuAd, Inc., in conjunction with our Bresnan OnLine Internet access service. I hope our responses will assist you in gaining insight into services like NebuAd and other Internet advertising counterparts.

1. Has your company at any time tailored, or facilitated the tailoring of, Internet advertising based on consumers' Internet search, surfing, or other use?

We conducted one limited trial with NebuAd from April 1, 2008 to June 26, 2008.

Our Bresnan OnLine Internet access service does employ technology, similar to that included in many toolbar or search applications, to respond to subscribers who type in erroneous URLs. This technology directs the subscriber to an "error" message page which suggests potential links that the user may have been looking for and also provides some links to sponsored advertisements. The sponsored advertisements are not based on any customer specific information, but are based on assumptions about what the subscriber might have been looking for when the URL was mistyped. The technology does not collect or rely upon any other data.

In addition, we operate our own website, which includes advertising and web search functionality. However, we rely on third-parties such as Google, IAC, and a few others to perform these functions, as do other websites. We understand that Google and others like Google will be providing you with information on those advertising networks and their practices.

2. Please describe the nature and extent of any such practice and if such practice had any limitations with respect to health, financial, or other sensitive personal data, and how such limitations were developed and implemented.

We entered into a limited trial with NebuAd. We were assured that the system would not use, track or store personally identifiable information, and would only aggregate users anonymously into broad interest categories (such as "auto shopper") and then send relevant ads to those groups of users when they click on an affiliated web site. We received assurances from NebuAd that any interest category data would not be based on health, financial or other sensitive personal information. We also received assurances that no specific online activity data, such as browsing records, would be stored or retained. As additional protection, we notified our customers and offered an easy-to-use opt-out mechanism as recommended by the FTC.

3. In what communities, if any, has your company engaged in such practice, how were those communities chosen, and during what time periods was such practice used in each? If such practice was effectively implemented nationwide, please say so.

We conducted the test in a small segment of our Billings, Montana market. The Billings market was chosen due to its close proximity to our network operations center and our engineering resources. The test commenced on April 1, 2008 and was concluded on June 26, 2008.

4. How many consumers have been subject to such practice in each affected community, or nationwide?

The trial was limited to approximately 6,000 Bresnan OnLine customers.

5. Has your company conducted a legal analysis of the applicability of consumer privacy laws to such practice? If so, please explain what that analysis concluded.

We conducted the test with NebuAd assurance that it was designed to meet applicable privacy standards.

6. How did your company notify consumers of such practice? Please provide a copy of the notification. If your company did not specifically or directly notify affected consumers, please explain why this was not done.

We sent an email message to our customers' Bresnan OnLine email accounts, posted a web page describing the trial, and described such practices in our privacy policy. We also provided customers an easy opt-out mechanism. We have attached the written notice and the online explanation and opt-out link.

7. Please explain whether your company asked consumers to "opt in" to the use of such practice or allowed consumers who objected to "opt out." If your company allowed consumers who objected to opt out, how did it notify consumers of their opportunity to opt out? If your company did not specifically or directly notify affected consumers of the opportunity to opt out, please explain why this was not done.

See number 6 above.

8. How many consumers opted out of being subject to such practice?

Eighteen consumers opted out.

9. Did your company conduct a legal analysis of the adequacy of any opt-out notice and mechanism employed to allow consumers to effectuate this choice? If so, please explain what that analysis concluded.

We used an opt-out notice and opt-out mechanism as recommended by NebuAd. We relied on assurances from NebuAd that an opt-out notice and mechanism was an acceptable and standard practice.

10. What is the status of consumer data collected as a result of such practice? Has it been destroyed or is it routinely destroyed?

No data that identifies an individual consumer or a consumer's behavior was stored. All interest categories, aggregated, and other data derived from the test were destroyed after completion of the test.

11. Is it possible for your company to correlate data regarding consumer Internet use across a variety of services or applications you offer to tailor Internet advertising? Do you do so? If not, please indicate what steps you take to make sure such correlation does not happen. If you do engage in such correlation, please provide answers to all the preceding questions with reference to such correlation. If your previous answers already do so, it is sufficient to simply cross-reference those answers.

We do not correlate data in this way and have taken no steps to do so.

I hope that these responses are helpful to the Committee.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Bresnan". The signature is written in a cursive style with a large, stylized initial "W".

William J. Bresnan
Chairman & Chief Executive Officer

The personal

BRESNAN

We're Improving your Internet Experience!

Beginning on April 1, 2008, we will partner with an advanced advertising network to improve the delivery of advertisements to Bresnan Online customers while surfing the Internet. These advertisements will be tailored to each customer's anonymous surfing habits, and will NOT include or be based on any information that is personally identifiable, such as names or email addresses.

The use of advanced advertising will help improve your favorite websites by showing ads that are relevant to you, and reduce the "clutter" normally associated with Internet advertising. You will not see an increase in advertising; rather the ads you see simply will be customized to your interests.

Advanced advertising is part of our commitment to create a highly customized experience for our customers while surfing the web. We realize, however, that not everybody may wish to participate in ad customization. If you would like to learn more about advanced advertising or opt out of this new feature, please visit our Advanced Advertising Education Center at <http://www.bresnan.com/customize/>.

Thank You for your continued business,

Lenny Higgins
Senior Vice President, Advanced Services

About Advanced Advertising

Bresnan Communications is testing a new and exciting feature that will improve the relevance of advertising on the Internet. Using anonymous web surfing technology, banner ads will be customized to our customers' specific interests - reducing the "clutter" normally associated with Internet advertising. We're confident that this feature will provide a more enjoyable browsing experience for our customers.

We are committed to our customers' privacy and we have placed great importance on two fundamental philosophies in relation to advanced advertising. First, participation in advanced advertising is completely voluntary. Second, neither Bresnan nor our participating web sites or ad networks will ever collect any personally identifiable information - such as names or email addresses - in our efforts to provide this valuable feature to our subscribers.

Following is a list of frequently asked questions regarding our advanced advertising service, complete with an option to opt-out of this service if desired.

Frequently Asked Questions

What is Ad Serving?

In order to support their content without charging visitors, many websites sell advertising space on their Web pages. Ad networks provide technology for the websites and advertisers to use to display ads on the websites. The ad network works at the direction - and on behalf - of the websites and advertisers.

What, Specifically, Does Advanced Advertising Do?

Advanced advertising provides "tailored" advertising services using information observed while you browse the Internet. None of the information used by the ad network is personally identifiable, and any non-personally identifiable information that is used is anonymous and cannot, by itself or in combination, identify a specific person.

What Benefit Does Advanced Advertising Provide Me?

Generally, when you surf the Internet, the advertisements you see have nothing to do with you or your interests. By observing your anonymous Internet surfing activity, the ad network can display advertisements to you that are more likely to be related to your interests. You will NOT get any more advertising online than you already get. Instead, some of the advertisements you do get are more likely to be of interest to you.

What Kind Of Ads Will I See?

The ads that you will see are standard ad types, such as banners ads and similar advertising formats, and are displayed only where you would expect to see them. You will not see any more ads than you would otherwise see, nor will these ads be any more intrusive or different from standard ads across the Internet.

Will I Start Seeing More Ads Than I Currently See?

You will NOT see any more ads than you would otherwise see, nor will these ads be any more intrusive or different from standard ads across the Internet. The ads that you will see are standard ad types, such as banners ads and similar advertising formats, which are displayed only where you would expect to see them.

What is Personally Identifiable Information ("PII")?

Neither Bresnan nor our participating web sites or ad networks will ever collect any personally identifiable information - such as names or email addresses - in our efforts to provide this valuable feature to our customers. When we use the term "Personally Identifiable Information" or "PII", we mean any information collected online about a user, such as a first and last name, a physical street address, an email address, a telephone number, or a social security number, that permits the identification of particular persons.

How Can I Be Sure That My Privacy And Anonymity Are Protected?

Bresnan Communications does not provide any specific customer information to the ad network.

The ad network does not make use of PII (Personally Identifiable Information). The ad network only uses anonymous information for the purpose of tailoring advertisements to you based on your interests. As a strict rule, any non-personally identifiable information that is used is anonymous and cannot, by itself or in combination, identify a specific person.

The ad network also prepares aggregated statistical analysis about the effectiveness of advertising campaigns, publisher websites and Internet usage and makes this aggregated statistical analysis available to client advertisers, websites, and ISPs.

Bresnan Communications and the ad network understand the importance and value of ensuring the privacy and protection of all your data. The ad network has designed privacy into their approach, technology and operations from the ground-up. Bresnan and the ad network have worked with a council of industry-recognized privacy experts who provide counsel and

oversight to these privacy practices and controls. These privacy practices and controls are designed to meet applicable legal or regulatory requirements.

What is Non-Personally Identifiable Information?

Non-Personally Identifiable Information is information that cannot identify a particular person, such as the anonymous information related to web pages viewed, cookies, search queries, ads clicked, browser settings, speed of the connection, and zip code.

Non-personally identifiable information that is used by the ad network is anonymous and cannot, by itself or in combination, identify a specific person.

So, Without Using Any Personal Information, How Does Advanced Advertising Work?

The ad network operates by anonymously observing user activity across the Internet. PII is not used to deliver tailored ads to you. Using only non-personally identifiable information, the ad network infers a user's interests in certain product or service categories, such as "automobiles/sports cars" or "travel/Europe", etc. In addition to ensuring that all information used in this process is anonymous, the original data, such as historical web pages, search queries, and ads clicked, associated with a user's interests are not stored at all. This provides an additional layer of privacy protection.

Will Bresnan Or The Ad Network Make User-Level information Available To Outside Organizations?

No. Even though the inferred interests of users is anonymous and contains no PII, neither Bresnan nor the ad network will sell or provide any information specific to user activities to outside parties. The ad network does prepare aggregated statistical analysis about the effectiveness of advertising campaigns, publisher websites and Internet usage and makes this aggregated statistical analysis available to client advertisers, websites, and ISPs.

Will Software Be Downloaded Onto My Computer To Make Tailored Advertising Work?

No. There is no software downloaded onto a user's computer; therefore there is no "adware" or "spyware" on your computer from Bresnan or from the ad network.

Is There Any Security Risk to My Personally Identifiable Information As A Result Of Third Party Advertising?

Since the ad network does not collect and store PII, there is no extra risk of disclosure of your personally identifiable information. Only the inferred product or service category interests are used for each anonymous user. Furthermore, all the information the ad network uses is kept in anonymous form, and cannot, by itself or in combination, identify a specific person.

Does The Ad Network Tailor Advertisements to Children?

No. The ad network does not tailor ads to children under the age of 13. In fact, the ad network does not serve or display any ads that are directed to the under-13 age segment.

In addition, the ad network does not track or display advertisements related to any adult, gambling, tobacco or alcohol-related content.

Your Participation is Optional

Thank you for taking the time to learn about Bresnan's advanced advertising initiative. If you would like to opt-out of this service, simply click this link. Note that your opt-out will only apply to this browser on this computer. If you use more than one browser (such as Firefox and Microsoft Internet Explorer), or more than one computer (such as a desktop computer and a laptop), you will need to re-visit this page and opt-out for each.