

**`Ōlelo Community Television
Comments on
Hawaiian Telcom
Cable Service Application**

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 MAY 26 P 1:32

A _____ P _____ S _____

`Ōlelo has benefited greatly from the resources and services of Oceanic Time Warner Cable for over fifteen years, and we appreciate and support Oceanic Time Warner's work to expand and improve video services on O'ahu. We also understand the benefits of competition and look forward to working with Hawaiian Telcom if they are granted a franchise to provide video services. The following are preliminary comments pertaining to Hawaiian Telcom's application to provide video services on O'ahu. These comments do not represent all of `Ōlelo's concerns at this time. They are submitted to obtain additional information that may assist `Ōlelo in better understanding Hawaiian Telcom's fielding of IPTV services and, more specifically, its commitment to PEG access.

Questions or Comments (Ordered by page number)

Employee Training and Certification, page 24 in PDF

Because IPTV technology is very different from standard cable transmission and data systems, it may be helpful to have Hawaiian Telcom provide information pertaining to the number of local personnel who are specifically qualified in IPTV technology and system deployment and who will be dedicated to operating and maintaining the proposed system.

Channel Capacity And System Design, page 30 in PDF

It would be helpful to have Hawaiian Telcom provide a list of the geographic locations that are currently "qualified second-generation DSL service" areas. It would also be helpful if they provided information about the technical limitations that may prevent an area from receiving "qualified second-generation DSL service."

Section G.23. Statewide Interconnection, page 49

a) and b) In fairness to Oceanic Time Warner, and to ensure similar levels of long-term Public, Educational and Governmental (PEG) access bandwidth capacity, it would be helpful to know if Hawaiian Telcom intends to provide the bandwidth equivalent to 6 analog channels to `Ōlelo.

e) It is unclear as to whether the connection needed to carry the PEG channels would be more effectively accomplished through a direct connection with Oceanic Time Warner rather than to the PEG provider (`Ōlelo in this case) that is indicated in the application. We would hope Hawaiian Telcom would cover the cost for the connection and that there would be no on-going reoccurring costs to PEG access providers such as `Ōlelo. This is the case with regard to `Ōlelo's connection to Oceanic Time Warner.

INET Proposal, Exhibit G.17

It is unclear how the State would use the 1 percent credit on gross revenues to help support the State's INET needs, since the current INET system was built and is being maintained by Oceanic Time Warner.

Finally, and most important, it is unclear what Hawaiian Telcom's commitment is to providing Franchise Fees, PEG Equipment and Facilities and other related PEG support currently provided by Oceanic Time Warner. Clarity in this area is key to 'Ōlelo understanding Hawaiian Telcom's PEG Access intentions. More detailed information with regard to this would aid 'Ōlelo in more effectively commenting on issues related to PEG access. Since it is likely that Hawaiian Telcom has not included this in their application because they may see this as a matter to be negotiated with the State, 'Ōlelo will await the appropriate time to express specific PEG access needs.

UNIVERSITY OF HAWAII

Information Technology Services
Office of the Chief Information Officer

LW
COPY: GC
CS

FACSIMILE TRANSMITTAL

FILE COPY

DATE: May 30, 2006 No. of Pages (including cover): 3

TO: Mr. Clyde Sonobe
Administrator
DCCA - CATV
P.O. Box 541
Honolulu, HI 96809
Fax: 586-2625

FROM: *me for* David Lassner
Chief Information Officer

SUBJECT: Comments on the Application of Hawaiian Telcom for a Cable Franchise.

If you do not receive all pages or it is illegible, please contact Michelle at 808-956-2717.

COMMENTS:

The original is in the mail.

CABLE DIVISION
COMMUNICATIONS
2006 MAY 30 A 9: 22
A P S
FILE

UNIVERSITY OF HAWAII

Information Technology Services
Office of the Chief Information Officer

2

May 30, 2006



Clyde Sonobe, Administrator
Cable Television (CATV)
Department of Commerce & Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

Dear Clyde:

The University of Hawaii notes with great interest the application of Hawaiian Telcom for a cable franchise. As you know, the State of Hawaii has leveraged its statewide franchising authority for well over a decade to improve access to education at all levels for the people of all islands. It is in that context that the University of Hawaii System provides this input on the Unofficial Copy of the Hawaiian Telcom application posted on the DCCA-CATV web site.

The University of Hawaii is initially and primarily concerned with four specific issues relating to the application we have reviewed:

- 1) We were unable to determine the number of PEG channels that the applicant commits to provide as part of its service. The University of Hawaii (UH) requires a minimum of one Educational Access channel for higher education, but we would recommend that this applicant be required to provide the same five or six PEG channels as the incumbent franchisee.
- 2) We were unable to determine the level of funding committed to support PEG programming. The University of Hawaii recommends that this number be at least 3% of Gross Revenue, with at least 25% of this amount dedicated to education (higher education and K12).
- 3) In section G.23, pages 20-21, Hawaiian Telcom lists the locations to which they propose to allow interconnect. Although the PEG entities and DOE are included, the University of Hawaii is inexplicably omitted. The applicant should be required to provide (not "allow") interconnect to the UH Educational Access head-end facility.
- 4) In Exhibit G.17, Hawaiian Telcom proposes to address the State's Institutional Network (INET) requirement by allocating 1% of its Gross Revenues to a fund which could be expended solely with them for network products/services, generally at prevailing rates. This proposal is completely inadequate. The incumbent franchisee provides direct access to their network infrastructure and capacity, both intra-island and inter-island, for the INET. This has been

Mr. Clyde Sonobe
May 30, 2006
Page 2

absolutely critical to UH's ability to provide access to educational services on all islands. Under the terms of the current franchise agreements, most UH sites have been connected at no cost and additional sites are implemented at cost only. The value of the existing INET is certainly much higher than 1% of the incumbent franchisee's Gross Revenue, although their actual cost to provide INET capacity may be less than 1%. Hawaiian Telcom proposes to use their extensive network infrastructure, including its inter-island capacity, as the basis of the proposed franchise. They should therefore be required to provide INET capability comparable to that specified in the current franchise agreements.

We greatly appreciate this opportunity for the University to share our concerns regarding Hawaiian Telcom's application for a cable franchise. Please let me know if you have any questions regarding these comments.

Sincerely,



David Lassner
Chief Information Officer

c: UH President
UH Vice Presidents
UH Chancellors



May 30, 2006

Mr. Clyde Sonobe
Administrator - Cable Television Division
Department of Commerce and Consumer Affairs
State of Hawaii
P. O. Box 541
Honolulu, HI 96809
Fax: 586 2625

Re: Hawaiian Telcom

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A _____
P _____
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2006 MAY 30 P 4: 21

www.pbshawaii.org
CABLE DIVISION
COMMUNICATIONS

Dear Clyde,

Thank you for the opportunity to share my thoughts with you and Lori.

First and foremost, we appreciate the funds we receive because of DCCA's policy decision, and we will always ensure that the funds are used to serve our community's best interest. We respectfully and humbly request that the DCCA keep the same franchise fee funding formula for Time Warner and apply the same funding formula to Hawaiian Telcom and any other applicant.

Briefly, here are some of my thoughts:

- Historically for 35 years we were a state agency receiving regular appropriations.
- Because we're an FCC broadcaster, our cost of providing our broadcast signal statewide at no charge to more homes than any other broadcaster is high, and the franchise fee helps to purchase equipment and continue operations without which PBS Hawaii would cease to exist.
- While the largest single source of our revenue comes from the loyal support of our 20,000 members and corporate partners statewide, the franchise money, which represents 39% of our budget, helps us tremendously.
- We consistently and continuously provide a host of informational public, educational, and government (PEG) programming both locally and nationally everyday. The only thing we are not is a public access station.



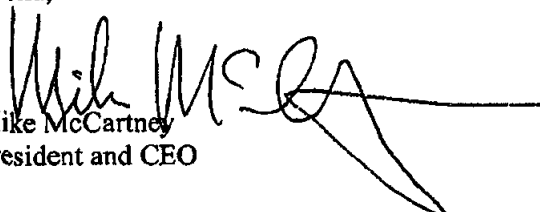
- Some examples of our PEG efforts include:
 - The News Hour
 - Washington Week in Review
 - Wall Street Week
 - Charlie Rose
 - Frontline
 - Antiques Roadshow
 - Great Performances
 - American Experience
 - NOVA
 - National Geographic
 - Award winning childrens' programming, best in early education from Sesame Street to Clifford the Big Red Dog.

- Efforts locally:
 - Na Mele Hapa Maui and Na Mele Treasures (culture)
 - Island Insights (public affairs)
 - UH on Call (healthcare)
 - PBN Friday with Howard Dicus (business)
 - Journey of Honor
 - First Light
 - The Kamehameha Schools Song Contest
 - Biography Hawaii
 - Heart of the Sea: The Rell Sunn Story
 - Projects in the works: The Story of Woody Brown; Pidgin English, A Documentary; The Ali'I Trust, Heartstrings: The Story of the Kamaka Ukulele; the Hawaiians; and Na Mele Treasures II.
 - Various DOE programs that go to classrooms around the state and throughout the day.
 - Political debates in election years, featuring candidates from statewide and local races.
 - Ready to Learn, our community outreach program that teaches parents and teachers how to read to their children. We hold 80 Ready to Learn workshops a year.
 - PBS Hawaii website, providing valuable information to our whole community.

Providing these insightful, enriching, and entertaining programs free of charge to the citizens of Hawaii is money well spent, and we are grateful for these funds that are available to us. Therefore, we humbly ask that DCCA retains the current fee formula for PBS Hawaii and other entities currently enjoying a portion of the franchise fee.

On behalf of our members and viewers, thank you for your sound policy decision. If you ever need any information on PBS Hawaii's operations, please do not hesitate to contact me.

Aloha,



 Mike McCartney
 President and CEO



Lawrence M Reifurth
06/26/2006 12:18 PM

To: csonobe@dcca.hawaii.gov, Laureen K Wong/DCCA@DCCA
cc: Mark E Recktenwald/DCCA@DCCA
Subject: Fw: Hawaiian Telecom

FILE COPY

Please keep in the application file along w/ all other comments/testimonies.

----- Forwarded by Lawrence M Reifurth/DCCA on 06/26/2006 12:17 PM -----



Esther Zukeran/DCCA
06/26/2006 11:59 AM

To Mark Recktenwald
cc Lawrence M Reifurth/DCCA@DCCA, John E
Cole/DCCA@DCCA
Subject Fw: Hawaiian Telecom

----- Forwarded by Esther Zukeran/DCCA on 06/26/2006 11:59 AM -----



Jim Keough
<jim@nko-producers.com>
06/26/2006 11:52 AM

To: dcca@dcca.hawaii.gov
cc:
Subject: Hawaiian Telecom

Please do not allow Hawaiian Telecom a license to provide television service until at least six months after they correct their ongoing billing problems with thousands of customers. Like many my automatic payment for overdrawn by Hawaiian Telecom and all I received was a form letter apology. I spent hours trying to contact Hawaiian Telecom to stop them from any future deductions from my checking account. My monthly statement is still a nightmare which I need to try and understand and get corrected. Calling their customer service number is a joke. They're the telephone company and you get messages "all circuits busy" or are placed on-hold for hours.

James Keough
92-831 Makakilo Dr., #43
Kapolei, HI 96707
778-7439 Cell
672-0805 Home

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS
2006 JUN 26 P 12: 06
A-E-P-S
FILE

5

Dear State of Hawaii Dept. of Commerce and Consumer Affairs,

6-26-06

I oppose the application from Hawaiian Telcom to provide Television service in Hawaii.

I do not feel that they have shown me and thousands of others that they know how to run a telephone service. I do not feel they should take on more, when they first need to solve their current struggles with billing errors and numerous customer complaints related to its implementation of a new operations system.

I have had a business phone in my home for years. I am retiring and I applied way in advance to have the business phone number changed to a private number. This was finally done, but when the new phone book came out my name was left out. I phoned to ask what they planned to do, and if they would give me a discount. I was told No and that someone had made a mistake.

I have now changed my phone service to Oceanic which has provided wonderful service. I also like to watch their channel 16. Oceanic has a very good customer relations dept. and handles complaints very quickly. They have worked hard to give us excellent TV coverage.

I do not feel that Hawaiian Telecom has the background at this time to give good T.V. service. I think their application for TV service should be deigned. They should be given time to straighten out their telephone service first, and then re-apply in a few years.

Aloha, *Oren R. Stalker*

Oren R. Stalker
59 Kaapuni Dr.
Kailua, Hawaii
96734-2323
Ph. 261-1582

2006 JUN 28 P 1:13
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS
FILE



6

CABLE DIVISION 28 June 2006
COMMERCE AND
CONSUMER AFFAIRS

Mark E. Recktenwald, Esq.
Director
Department of Commerce & Consumer Affairs
33 Merchant Street, Suite 310
Honolulu, HI 96813

2006 JUN 29 A 8:41

A E P V S X

FILE _____

Dear Director Recktenwald:

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

This letter is in support of Hawaiian Telcom's application for a cable television franchise for Oahu. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent and well-entrenched cable operator. However, there is no wired competition to the established cable company in Hawaii, and the satellite competitors, DirecTV and DISH, have made little progress in their efforts locally over the years. Statewide cable penetration in Hawaii is still the highest in the nation (at 89%, May, 2006), while satellite penetration here is the lowest of any television market in America (at 4%, May, 2006).

Offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings should enhance its ability to continue to provide reliable telephone services. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service and its progressive technology will keep Hawaii abreast with or at the leading edge of providing entertainment, education, and information to local residents.

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting video technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Sincerely,

John L. Fink
Vice President & General Manager

kyi

cc: ~~Clyde~~ Sonobe

Duane K. Kurisu

①



June 29, 2006

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUN 30 A 8:14

A ___ E ___ P S

FILE _____

Mark E. Recktenwald, Esq.
Director
Department of Commerce and
Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

Re: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

This letter is in support of Hawaiian Telcom's application for a cable television franchise for Oahu. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent cable operator. However, in Hawaii, there is no competition to the established cable company.

Offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of entertainment to the home technology.

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Very truly yours,

Duane K. Kurisu

DKK/mi



CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: <cabletv@dcca.hawaii.gov>
cc:

Subject: 5spam:HAWN TELCOMM DCCA APPLICATION SUPPORT

2006 JUL -3 A 8: 14

A__E__P__S__

FILE_____

Dear Sirs;

Attached please find letter in support of Hawaiian Telcomm's cable franchise application.

Sincerely,

Karen Inouye

Executive Assistant to David G. Watumull

Cardax Pharmaceuticals, Inc.

99-193 Aiea Heights Drive, Suite 400

Aiea, HI96701

kinouye@cardaxpharma.com

dir: 808-457-1376

tel: 808-457-1400

eFax: 808-237-5902



- HAWN TELCOM DCCA APPLIC SUPPORT.pdf

8



CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Cardax Pharmaceuticals, Inc.
99-193 Aiea Heights Drive, Suite 400, Aiea, HI 96701
telephone 808.457.1400 fax 808.237.5901

2006 JUL -3 A 8: 14

A__E__P__S__

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June 29, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

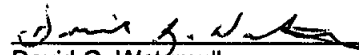
This letter is in support of Hawaiian Telcom's application for a cable television franchise for Oahu. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent cable operator. However, in Hawaii, there is no competition to the established cable company.

Offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of entertainment to the home technology.

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Very truly yours,



David G. Watumull
President & CEO
Cardax Pharmaceuticals, Inc.

cc: Mr. Clyde Sonobe
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809



9

RECEIVED

2006 JUN 30 P 2:07

REGISTRATION SERVICE

June 27, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Hawaiian Telcom's Cable Franchise Application

FILE
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2006 JUL - 3 A 8:51
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Dear Mr. Recktenwald:

I want to voice my support for Hawaiian Telcom's application for a cable television franchise. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer Hawaii's residents. The citizens of Hawaii will benefit from the additional choices that Hawaiian Telcom is willing to provide.

Allowing Hawaiian Telcom to offer the public with additional telecommunications and entertainment options will help it to continue to provide reliable telephone services. Oceanic Cable is currently chipping away at Hawaiian Telcom's core business and allowing Hawaiian Telcom to compete with Oceanic in the cable business will level the competitive playing field.

I encourage you to promptly approve Hawaiian Telcom's application as submitted so that the residents of Hawaii can benefit from this new and exciting service.

Sincerely,

Everett Dowling
President

cc: Mr. Clyde Sonobe



585 Hinano Street
Hilo, Hawaii 96720
808.961.2199

Facsimile transmittal

No. of
Pages
2

TO: Mark E. Recktenwald, Esq., Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

DATE: June 30, 2006

FAX NO.: (808) 586-2625

SUBJECT: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Pages	Description
1	Telecopy Cover Sheet
1	Letter from Allan K. Ikawa (Big Island Candies) to Mark E. Recktenwald, Esq. (DECCA) dated June 30, 2006

Remarks:

For your use.

Allan K. Ikawa
President/CEO
Big Island Candies

2006 JUL -5 A 6:49
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 FILE
 CABLE DIVISION
 COMMERCE AND
 CONSUMER AFFAIRS



10

June 30, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

This letter is in support of Hawaiian Telcom's application for a cable television franchise for Oahu. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent cable operator. However, in Hawaii, there is no competition to the established cable company.

Offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of entertainment to the home technology.

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Very truly yours,

A handwritten signature in black ink, appearing to read "Allan K. Ikawa", with a large, sweeping flourish extending to the right.

Allan K. Ikawa, President
Big Island Candies, Inc.

cc: Mr. Clyde Sonobe
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809



"Pat Takahashi" <ptakahashi@kobayashi-group.com> on 07/06/2006 02:56:27 PM

To: <cabletv@dcca.hawaii.gov>
cc: "Patrick Kobayashi" <patrick@kobayashi-group.com>

Subject: Testimony regarding DCCA Application for Hawaiian Telcom

Mr. Recktenwald:

At Patrick Kobayashi's request, forwarding his written testimony in support of Hawaiian Telcom's Franchise application.

If you have any questions, please let me know.

Pat Takahashi

Kobayashi Group, LLC

1001 Bishop Street

Pauahi Tower, Suite 1570

Honolulu, HI 96813

PH: (808) 535-2133

Fax: (808) 524-0766

Email: ptakahashi@kobayashi-group.com



- Testimony RE Hwn Telcom App 7.6.06.pdf

KOBAYASHI
GROUP

11
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL -7 A, 10: 24

A - E - P - S

FILE

July 06, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

This letter is in support of Hawaiian Telcom's application for a cable television franchise for Oahu. I have read with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent cable operator. However, in Hawaii, there is no competition to the established cable company.

Offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of entertainment to the home technology.

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Very truly yours,



Patrick K. Kobayashi
Principal

cc: Mr. Clyde Sonobe, Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

12

Jim R. Yates
550 Kahiau Loop
Honolulu, Hawaii 96821

RECEIVED
2006 JUL -3 A 10:00
CABLE TELEVISION
DIVISION

June 28, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

2006 JUL -7 P 1:12
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS
FILE
A-E-P-S

RE: Hawaiian Telcom Cable Franchise Application

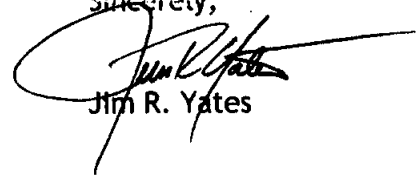
Dear Director Recktenwald:

I submit this letter in support of Hawaiian Telcom's application for a cable television franchise for Oahu. Competition in the telecommunications industry continues to grow and has resulted in more choices for consumers. Given the cable company's ability to compete for Hawaiian Telcom's core telephone business, it seems only fair that HT be afforded the opportunity to offer a competing cable service.

I also believe that HT's ability to offer a broader, more competitive array of telecommunications and entertainment offerings will make them a stronger and more viable provider of telephone services. The competition that the IPTV service will create should also lead to more choice and innovative services and products from other providers as well.

I urge you to approve the application and stimulate more competition in this important high tech industry. Hawaii's consumers deserve to have more than one viable choice for cable television.

Sincerely,


Jim R. Yates

cc: Mr. Clyde Sonobe
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

STARWOOD
HOTELS & RESORTS WORLDWIDE, INC.

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

13

Keith Vieira
Senior Vice President, Director of Operations, Hawaii & French Polynesia

2006 JUL 10 A 9:02
A E P S
FILE _____

July 7, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

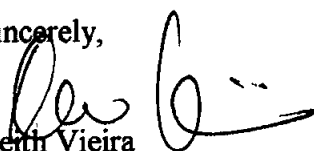
RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

I am writing this letter in support of Hawaiian Telcom's application for a cable television franchise on Oahu. Hawaiian Telcom faces much competition in its core telephone business: however, in Hawaii, there is no competition for the established cable company. I have reviewed the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to provide their customers in the near future and I believe that granting Hawaiian Telcom the opportunity to compete in this area will strengthen their ability to provide continued reliable telephone services and more innovative choices to the people of Hawaii.

I ask that you consider the approval of the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Sincerely,


Keith Vieira

cc: ~~Mr. Clyde Sonobe~~
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809



WESTIN

14

Warren H. Haruki
2667 Tantalus Drive
Honolulu, HI 96813
E-mail: warren@haruki.net

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS
2006 JUL 11 A 9:04
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FILE _____

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2006 JUL -7 P 1:02

DIRECTOR'S OFFICE
COMMERCE AND
CONSUMER AFFAIRS

July 6, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Mr. Recktenwald:

This letter is to strongly support Hawaiian Telcom's application for a cable television franchise for Oahu. I have followed with interest the proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future. Competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies such as the incumbent cable operator. However, in Hawaii, there is no true competition to the established cable company. This must be changed.

Allowing Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services. The choices that IPTV service will provide to Hawaii's customers should also lead to increased choices and innovative services and products from other providers as well.

As the most isolated islands in the world, Hawaii must be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of entertainment to the home.

I strongly urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Sincerely,

Warren H. Haruki

Warren H. Haruki

STANLEY M. KURIYAMA
President and Chief Executive Officer

822 Bishop Street
Honolulu, Hawaii 96813
P.O. Box 3440
Honolulu, Hawaii 96801-3440
www.abprop.com
Tel (808) 525-8494
Fax (808) 525-6616
email: skuriyama@abinc.com

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 12 A 8:15
A E P S
FILE

July 11, 2006

Mr. Clyde Sonobe
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P. O. Box 541
Honolulu, HI 96809

Re: Hawaiian Telcom Cable Franchise Application

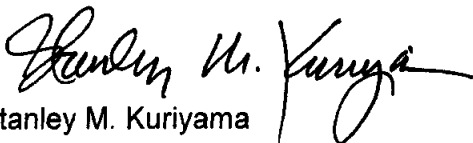
Dear Mr. Sonobe:

This letter is being submitted in support of Hawaiian Telcom's application for a cable television franchise for Oahu.

Offering Hawaiian Telcom the opportunity to provide a full array of telecommunication and entertainment offerings is good for our community, encouraging innovation and expanded consumer choices, and allowing Hawaii to keep abreast with the latest in entertainment and home technology. It will also enhance Hawaiian Telecom's ability to provide reliable telephone service – a major commitment the owners of Hawaiian Telecom made to our state.

Your prompt approval of and support for the application with minimal conditions will best serve the public's interest. Thank you for the opportunity to express my support for this very exciting advancement for Hawaii's consumers.

Very truly yours,


Stanley M. Kuriyama

cc: Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813



"Jack Hoag" <hoagy@hawaii.rr.com> on 07/13/2006 01:11:24 PM

(16)

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Please respond to <hoagy@hawaii.rr.com>

To: <cabletv@dcca.hawaii.gov>

cc: "Kealii Lopez" <klopez@olelo.org>, "Gerry Silva" <gsilva@olelo.org>

Subject: Hawaiian Telecom Franchise application testimony

2006 JUL 13 P 1: 17

A/E P/S

FILE _____

July 13, 2006

Cable Television Division

Department of Commerce and Consumer Affairs

P. O. Box 541

Honolulu, Hawaii 96809

Attention: Hearings Officers:

My name is John A. Hoag, the Director of Public Affairs for the Church of Jesus Christ of Latter Day Saints in Hawaii. Our membership comprises approximately 60,000. Our Church has worked with Olelo Community Television through the auspices of Time Warner Oceanic Cable for several decades.

It is my understanding that you are accepting public comment in regards to Hawaiian Telecom's application for a cable franchise on Oahu. I am unable to attend the public hearing to be held on July 19th, therefore I would respectfully request that my testimony be allowed into the record and given consideration.

The PEG public access service rendered by Olelo and Oceanic for our membership over these many years has been invaluable. Olelo has provided air time for many informational and educational programs that have greatly benefited our members. They understand our needs and are always willing to adapt and assist. I have



onally appeared on community forums as had many of my colleagues. The
nt addition of an additional channel has added more opportunities for our
icipation. We are particularly pleased with the training and customer service
Olelo renders to the high school students that learn how to become professional in
creating television programming at live origination points around Oahu.

Our membership is particularly concerned with this application by Hawaiian Telecom. Olelo and Oceanic has proven their great worth to the community by keeping on the cutting edge of technology, providing excellent customer service and adding capital improvements to best serve the community. On the other hand, I can say first hand as a consumer and as an observer of Hawaiian Telecom since its entry into this market, their record has not been noteworthy. It would seem most prudent for Hawaiian Telecom to settle into this marketplace and solve their operational and "back office" difficulties first before entering into a new and untried area of expertise.

If a cable franchise is granted to Hawaiian Telecom then it is imperative that they provide comparable PEG support, including the equivalent level of annual operational and capital funding, the same or expanded channel capacity, equal and expanding live origination points around the island, and continuity of other support and resources for Olelo.

It is with deep concern that we view this entry into the cable marketplace and it is our expectation that you will review this application with serious due diligence. Kindly confirm receipt of this email testimony.

O.K. Stender
Real Estate Consultant & Broker

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS RECEIVED

(11)

2006 JUL 14 P 2:12
2006 JUL 13 P 2:12

July 10, 2006

A ✓ E ✓ P ✓ S ✓
DIRECTOR'S OFFICE
COMMERCE AND
CONSUMER AFFAIRS
FILE _____

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

Dear Mr. Recktenwald:

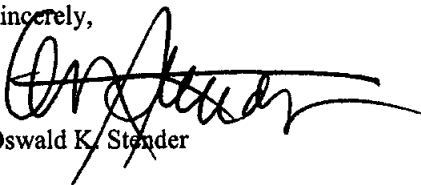
This letter is in regard to the Notice of Public Hearing on July 19, 2006 in connection with the application for a new franchise, Hawaiian Telcom Services Company, to provide video service using an IPTV design to subscribers on Oahu.

I write this letter in support of Hawaiian Telcom's application for a cable television franchise on Oahu.

For all these years, we have had only one cable company providing service with no competition. Service has been challenging, and there is literally no response when calling the trouble line other than a voice mail saying that all lines are busy. Allowing Hawaiian Telcom the opportunity to compete with a full array of telecommunication and entertainment offerings will provide Hawaii's customers more choice along with innovative services and products. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with and at the leading edge of entertainment to home technology.

Mahalo for your favorable consideration of Hawaiian Telcom's application and urge prompt approval.

Sincerely,



Oswald K. Stender

oks:lad



Keith Akana <kalaniakana@yahoo.com> on 07/13/2006 06:08:08 PM

18

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: PEG Access

2006 JUL 14 A 7 49

A E P S

FILE _____

To Whom It May Concern:

Aloha. My name is Kalani Akana and am the producer of "Manaleo", a one hour show which airs on Channel 53, 'OLELO. "Manaleo" is the only show in the state and nation conducted entirely in the Hawaiian language. With a mission to "preserve the native Hawaiian voice for generations", we concentrate on interviewing native Hawaiian speaking elders. Sadly, over the eleven years that "Manaleo" has been running, over eighty percent (80*) of those that we have interviewed have passed away. Needless to say, however, that PEG access has been extremely important in servicing this dwindling population of elders and in educating the broader public in the native language of the land. Without PEG access, the mission of preserving the voice of these precious elders would not have been met because we would not have had the resources to have done so otherwise.

I am especially indebted to 'OLELO for the training and assistance that they have provided over the years. 'OLELO is truly an 'ohana and a place for the community for people like ourselves who have "small voices".

We of "Manaleo" as concerned about the Telcom application and the impact it will have on the continuity of service and aloha provided by 'OLELO Community Television. Please consider this testimony and the many voices who have passed on as well as the many tiny voices that remain in making your decision.

Sincerely,
Keith Kalani Akana

How low will we go? Check out Yahoo! Messenger's low PC-to-Phone call rates.



19

To: cabletv@dcca.hawaii.gov
cc: "Joel Matsunaga" <Joel.Matsunaga@hawaiiantel.com>, "JoAnn Yosemite" <JoAnn.Yosemite@hawaiiantel.com>, "Ken Hiraki" <Ken.Hiraki@hawaiiantel.com>, "Nolan Pong" <Nolan.Pong@hawaiiantel.com>

Subject: RE: Hawaiian Telecom IPTV July 19, 2006, 4 p.m. Public Hearing Testimony

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS
2006 JUL 17 A 8:00
FILE _____
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RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

My name is Don Poole and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. I believe that we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch. I was once an Oceanic Time Warner cable subscriber and received the worst possible service one could ever imagine. I once placed a service call because I was receiving no signal. After waiting two weeks for the service person to arrive, he spent 10 minutes in my unit and the cable came back on. So he informed me I just had a loose wire. Within 10 minutes after he left, my service went out again and I immediately called Oceanic and let them know that the service person was still close by and I was still getting no signal. They said I would have to make a new service call and I again waited two weeks for the service person to arrive. He listened as I detailed the problem and what had been done so far. I have been without service for one month by this time. He went to the junction box outside of my unit, and replace the connector that require 10 minutes of work. The day after the service person left, I took all of the Oceanic cable equipment to the Oceanic Time Warner desk at Sears and said I never wanted to do business with you again.

I have a legal satellite dish on my lanai. I received excellent service with a one-year contract and now own all the equipment including a DVR. The reception is excellent and the equipment has worked flawlessly for three years. I could not be happier. Not every condo owner has this option as most lanais are either too small or face the incorrect direction or something obstructs their view of the horizon. I was lucky.

At this time I have to resolve a new challenge. Hawaiian Telcom allowed me to upgrade my dialup service to a high-speed DSL line with excellent service. The problem now is I have satellite dish television. I have a telephone landline, DSL, and cell phone service through

Hawaiian Telcom. If they could supply me with high-quality television through my high-speed DSL line, I could eliminate the cost of the satellite dish and hopefully create a package to supply me with television, telephone, cell phone, and DSL at a price lower than Oceanic or satellite. Let's have some competition. Oceanic Time Warner cable service personnel are arrogant; they feel they have a monopoly and as a customer we have no choice. Choice is the key word here.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony. (I do plan on personally attending the July 19, 4 p.m. Public Hearing.)

Sincerely,

Mr. Don C. Poole
725 Kapiolani Blvd.
Honolulu, HI 96813



SERVCO PACIFIC INC.

P.O. Box 2788 • Honolulu, Hawaii 96803-2788 • Telephone: (808) 584-1300 • Facsimile: (808) 523-3937 • www.servco.com

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 18 A 8:58

A E P S

FILE

July 17, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

I am writing this letter to support Hawaiian Telcom's application for a cable television franchise for Oahu.

As you know, competition in the telecommunications industry is widespread and has resulted in more choices for consumers. Hawaiian Telcom is already faced with competition to its core telephone business from other companies, such as the incumbent cable television operator. However, in Hawaii, within the cable television business, there is no effective competition to that same cable television company.

The proposed internet protocol television (IPTV) service that Hawaiian Telcom wants to offer in the near future will open up that segment of the market to more competition, which should benefit all consumers. The choice that the IPTV service will provide to Hawaii's customers should also lead to more choice and innovative services and products from other providers as well. Moreover, offering Hawaiian Telcom the opportunity to compete with a full array of telecommunications and entertainment offerings will enhance its ability to continue to provide reliable telephone services.

Hawaii should be a showcase for high technology and innovative services. Hawaiian Telcom's proposed IPTV service will keep Hawaii abreast with or at the leading edge of "entertainment to the home" technology.

Mark E. Recktenwald, Esq.

Page 2

July 17, 2006

I urge you to approve the application as soon as possible and to not impose unreasonable conditions that may delay the launch of this new and exciting technology. Hawaii's consumers deserve to have more than one viable choice for cable television.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Mark H. Fukunaga', followed by a long horizontal line extending to the right.

Mark H. Fukunaga
Chairman & CEO

cc: Mr. Clyde Sonobe
Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

**HAWAII COUNCIL OF ASSOCIATIONS
OF APARTMENT OWNERS**
3454 Waiālae Ave., Suite 6
Honolulu, Hawaii 96816

FACSIMILE COVER LETTER

Date: July 18, 2006

Hawaii Standard Time: *2 P.M.*

To: Mark Rechtenwald, Director

From: Jane Sugimura

Comp
Telefa



Hawaii
v., DCCA

Re: Hawaiian Telcon Cable
Franchise Application

Total Number of Pages: 3

DESCRIPTION OF DOCUMENT(S):

Testimony in Support of Application.

MESSAGE:

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IF PROBLEMS DEVELOP, PLEASE CALL US AT (808) 524-0544 or 566-2112.

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**HAWAII COUNCIL OF ASSOCIATIONS
OF APARTMENT OWNERS**

**3454 Waialae Ave., Suite 6
Honolulu, Hawaii 96816
Tel: 737-2021; Facsimile: 739-1814**

July 17, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
Cable Division
P.O. Box 541
Honolulu, HI 96809

FILE _____
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/

2006 JUL 18 P 1:34

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

I am Jane Sugimura of the Hawaii Council of Associations of Apartment Owners (HCAAO). HCAAO represents 110 apartment associations with over 29,000 individual apartments.

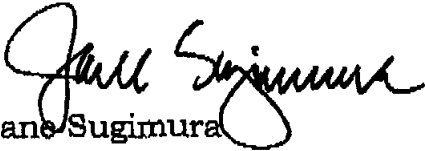
HCAAO supports Hawaiian Telcom's application for a cable television franchise for Oahu. HCAAO is informed about Hawaiian Telcom's proposed IPTV service and believes that it will bring additional competition to Oahu that will benefit consumers.

HCAAO believes that if this application is approved, consumers on Oahu will have the opportunity to have more choices in their cable video service providers. That competition will drive all providers of video service to more fully meet the needs of Oahu's consumers through the continued development and deployment of new technology and the introduction of new products and services that meet customer demands.

Hawaiian Telcom's willingness to commit significant investment and resources to increase infrastructure and competition to Oahu seems to provide significant upside opportunities for consumers and minimal, if any, downside.

Mark E. Recktenwald, Esq.
DCCA, Cable Division
Re: Hawaiian Telcom Cable Franchise Application
July 18, 2006
Page 2 of 2

For these reasons, HCAAO requests that the DCCA approve Hawaiian Telcom's application without any conditions that may unreasonably delay or jeopardize the introduction of their cable services to Oahu's residents.



Jane Sugimura
President

22

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

July 18, 2006

To: Department of Commerce and Consumer Affairs
From: J. Kanani Kihara

2006 JUL 19 A 6: 47

A E P S

Re: Support for PEG Access

FILE

For many years, I have been an avid viewer of Olelo and have appreciated the diverse offerings on their channels. Olelo channels have provided me with cultural, educational and community perspectives that are otherwise not covered by major networks. Without PEG support, communities throughout Hawaii would be subjected to mainstream programming which often overlook community values and community priorities. We become hostage to networks that create programs that are often superficial, meaningless and violent. As a parent, educator and community member, having PEG Access gives me and thousands of others, a voice.

This summer, Olelo's Windward branch provided camera and editing training for students from Castle, Kalaheo and Moanalua High Schools. Working on Anti-Drug and Alcohol Public Service Announcements (PSAs), the students received training that enabled them to direct, shoot and act in their productions. This invaluable experience will never be forgotten. The students not only gained marketable skills, they developed other transferable skills -- how to effectively communicate a clear and concise message, how to work with complex equipment and technology, how to create and design a production and how to work as a team to complete a task. In a short period of time, the students and adult volunteers gained skills, knowledge and experience that could not be duplicated in the traditional classroom. Unlike the passive learning environment of the typical classroom, the students were actively involved, internally motivated and personally interested in all aspects of Olelo's training and support.

If the DCCA accepts another Cable television/video services provider, it is imperative that the State continues to require provisions for PEG Assess support. At a minimum, the provider that is selected should provide what is currently required of Oceanic.

If the "voice" of the community (Olelo) becomes insignificant in the eyes of the DCCA, who can we turn to? Please continue to support PEG Access for the State of Hawaii.

**Application of Hawaiian Telcom Service Company, Inc.
For a Cable Franchise**

Department of Commerce and Consumer Affairs

**Statement of Hawaiian Telcom Services Company
By Joel Matsunaga, Vice President-External Affairs**

**Public Hearing
July 19, 2006**

Director Recktenwald, Mr. Sonobe, representatives of the Cable Advisory Committee, members of the public, good afternoon. I'm Joel Matsunaga, Vice President-External Affairs of Hawaiian Telcom. Thank you for allowing me this time to talk about Hawaiian Telcom's plans to offer video services and how they will benefit the residents of Oahu and eventually the rest of the State.

I would like to take a moment to thank the Department of Commerce and Consumer Affairs ("DCCA") for arranging this forum for the public to present comments on Hawaiian Telcom's plans for video service. In developing its plans, the Company has had many meetings and discussions with various people and organizations in the community. The input that we received from others has been very useful and helped us shape our plans to better meet the video service requirements of the residents of Oahu. Since we announced our plans to offer video services, the Company has received a tremendous amount of encouraging comments from residents who are looking forward to having a choice in video service providers. We are hopeful that we will hear similar support during this hearing. We also recognize, however, that some in the public may have concerns or comments regarding video services in general or with Hawaiian Telcom's specific plans. As with all of the input received from the public to date, Hawaiian Telcom will carefully consider in its roll out of video services all comments presented during this forum today. We value the public's input and look forward to hearing the comments that will be presented.

Before we begin, I should point out that while telephone companies such as Hawaiian Telcom are increasingly providing video services, the legal and regulatory landscape for video service is in a state of flux. At the federal level, it appears that there is strong bipartisan support for enacting legislation that will create a federal process for video

franchise. At the state level, some telephone companies have adopted the position that services using IPTV technology are not subject to state franchising requirements. That position is based on the fact that the network platform used to deliver digital TV video is different than the older technology underlying standard cable which most states' cable franchise requirements were designed to regulate.

While Hawaiian Telcom believes there is merit to the position that IPTV technology is not subject to a cable franchise, we also believe it's important for Hawaii's consumers to have a choice in video providers as soon as possible. That is why, regardless of positions being taken by telephone companies elsewhere, or pending federal legislation, the Company has elected to proceed at this time with its application and to work with the DCCA for a cable franchise. We have requested an early approval with reasonable conditions which won't form a barrier to entry and deny consumers the benefits from competition.

Not only has Hawaiian Telcom filed an application for a cable franchise, but we believe that even though we are not a cable company and will be employing a technology different from the traditional cable technology on which existing rules are based, we have filed a proposal which is consistent with the state's requirements of cable providers. That differs significantly from the development of competition within the telecommunications market. Today, as you know, there is effective competition in the telecommunications market. For example, you as the consumer can choose whether you want a wireline or a wireless phone. You can choose from among several providers of service. You can choose who provides you with broadband access to the Internet. When competition was introduced in the telecommunications market, new entrants



and significantly, were given, specific competitive advantages by federal and state regulators to allow them to establish a foothold and to grow in size to be an effective competitor to the incumbent providers.

Unlike competitors entering the telecommunications market, Hawaiian Telcom is not seeking special treatment that would create market advantages as we enter the video services market. In fact, the Company has in its application, fees, public access, and other requirements which we believe meet the State's requirements for cable providers while at the same time recognizes that Hawaiian Telcom will be a new entrant in an established market and is using a different technology from what the rules were written to address. As a new entrant in a market with an entrenched incumbent, the challenges Hawaiian Telcom will face will be considerable. But while those challenges may be significant, the Company is willing to commit its resources and capital so that Hawaii's consumers will have choices and, as a result, the ability to shape the services and value that they receive from video providers. Hawaiian Telcom has proposed several innovative approaches to make it possible for us to be able to offer this state of the art technology as the only viable competitor in one of the nation's highest cable penetration markets.

To make the best use of our time today, I plan on covering two main areas during the remainder of my presentation. The first area will be to provide an overview of Hawaiian Telcom's plans to offer video service on Oahu. The second area will be to focus on the significant benefits that residents of Oahu will realize with Hawaiian Telcom's new 100 percent digital video and audio services.

The basic programming line-up on Hawaiian Telcom's new video service will be very competitive to what's currently provided by cable and direct broadcast satellite (DBS) providers. Hawaiian Telcom's programming will include local channels. It will also include the channels commonly viewed on existing cable such as CNN, the Discovery

Channel and premium channels such as Showtime and Starz, to name a few. Hawaiian Telcom also recognizes the important role in our community of public access channels, otherwise referred to as public education and government, or PEG channels. The Company's video service offerings will include all six PEG channels.

But it won't stop there.

With our recent transformation to a locally managed company, Hawaiian Telcom has the ability to focus specifically and exclusively on what products and offers best serve the needs of consumers in Hawaii. That means that in addition to what's already available from others, Hawaiian Telcom is looking to provide new programming content that will appeal to the unique blend of cultures and interests of our island community. Some of the new content will be available as new channels while others may be accessible using video on demand (VOD) that allows a viewer to see what they want, when they want to.

Hawaiian Telcom has a 123-year history of providing reliable and state of the art communications services to the residents of Hawaii. Since the Company's original charter from King David Kalakaua in 1883, Hawaiian Telcom has ensured that Hawaii benefited from a robust communications infrastructure. A fact supported by Honolulu's ranking as the No. 1 Digital City in the United States.

Using this state-of-the-art infrastructure and the Company's investment in a next generation network, Hawaiian Telcom will be able to deliver high-quality, 100 percent digital video and audio programming to the residents of the island of Oahu over their existing telephone line. So over the same facilities that the Company is already providing quality voice communications and high-speed data, Hawaiian Telcom will now offer robust all-digital video services. It also means that the Company will be able to offer consumers a true alternative to the existing cable provider without the



inconvenience of digging up the streets to lay coaxial cable as was necessary with cable service.

More details on the technology that will be used to provide video service are included in the Company's Application for a Cable Franchise which was filed on May 5, 2006, with the DCCA and is available for review by the public. A similar next generation network approach is already providing digital video services to over 500,000 residences in Hong Kong, and to over 50,000 households in Manitoba, Canada. Closer to home, a number of telephone companies are offering video services using this next-generation platform that have been very well received by consumers in their area including SureWest Communications in California and Consolidated Communications in Illinois. And recently, AT&T launched their U-Verse TV offer in San Antonio and announced plans to rollout their digital video service to cities across their nationwide footprint.

This brings me to my second point which is how residents of Oahu will benefit from the DCCA approving Hawaiian Telcom's application for a cable franchise. If Hawaiian Telcom is allowed to provide video services to consumers on Oahu, it will represent a fundamental shift in the balance of power in the video service market away from the incumbent cable company toward the consumer. This is because the residents of Oahu would now for the first time have a real choice of video service providers. Because of the State's topology of mountains and valleys, it is difficult for most consumers to receive TV broadcasts over the airwaves. This is evidenced in May's TV ratings report from Nielsen Media Research which indicates that 94 percent of the households on the island of Oahu that have a TV subscribe to cable TV service.

For those who live on the mainland, they have direct broadcast satellite providers such as Dish or DirecTV as viable alternatives to their cable company. In fact, according to a 2006 FCC report on video competition, direct broadcast satellite accounts for 27 percent nationally of all the consumers that subscribe to paid video programming. On Oahu that

figure is substantially lower in the single digits. That's because the direct broadcast satellite footprint is targeted to serve North America, and is too low on the horizon to be a suitable alternative for many Hawaii consumers.

Hawaiian Telcom's application for a cable franchise holds the promise of consumers in Hawaii finally experiencing what consumers on the mainland have enjoyed - - namely, effective competition. With effective competition, consumers will have the ability to choose and change providers. In other words, the consumer will drive the market. Competing providers will be challenged to best meet the demands of consumers whether they are in the area of programming options, service quality, or the value of the service. While Hawaiian Telcom recognizes that Oahu already has a well-entrenched incumbent provider, we believe that consumers long for a choice and will be open to a viable alternative which we will be. To that end, Hawaiian Telcom will be bringing high quality, all-digital video and audio programming to every TV in the household. As in any competitive market, our success will be based on our ability to offer a combination of programming, features, service, and pricing that provide the value that will be responsive to the demands of Hawaii's consumers.

Hawaii also has the opportunity to be among the leaders in the next generation network deployment. Hawaiian Telcom is prepared to make this investment in Hawaii much earlier than it would have been with the Company's previous owner. This investment in Hawaii to provide the State with an opportunity to continue as a leader in the digital age is consistent with the other recent changes by Hawaiian Telcom which has resulted in increased investment, job creation and a local focus by the Company. Those changes also include the Company's investment of \$100 million in new back office systems created specifically for Hawaii. The transition to those new systems continues to progress. Updates to the systems to expand their functionality as planned and to address any service issues are continuing and will be ready to support our video service operations by the time of its launch.

In closing, Hawaiian Telcom is pleased to provide consumers, for the first time, with the ability to choose between video service providers. The increased competition in the video service market will result in a fundamental shift in the video service market which will benefit Hawaii and its consumers. Entering a market with a well-entrenched incumbent is a significant challenge. But it is a challenge Hawaiian Telcom is prepared to commit resources and capital to so that Hawaii's consumers can have the same benefits of competition that consumers in other states are enjoying. While we are committed to being a video service provider in Hawaii, we are also committed to listening to the community on what its needs are and how those needs can be balanced with the initial start up of a new entrant. We believe our plan for video service as proposed is consistent with the needs communicated to the Company, the technology that makes this competitive option possible, and the State's cable franchise requirements - - including the need for public access channels. We expect to continue our listening today and during the remainder of the process to obtain approval for our application for a cable franchise.

Thank you to the DCCA and everyone else present for allowing us the opportunity to present our testimony today. We look forward to hearing the comments of today's speakers.

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

July 18, 2006

2006 JUL 19 P 2: 58

A E P S
FILE _____

Mark E. Recktenwald, Director
Hawaii State Department of Commerce
and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

RE: Application for Cable Franchise of Hawaiian Telcom, Inc.

Dear Director Recktenwald:

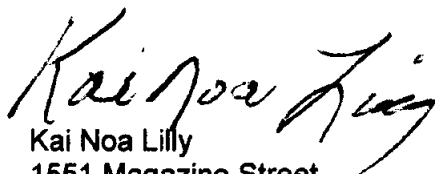
My name is Christopher Kai Noa Lilly and I wish to express my support for the approval of Hawaiian Telcom's application for a cable television franchise on Oahu.

There currently exists a monopoly in video services in Hawaii. Approval of Hawaiian Telcom's video services will change all this. It will result in increased competition, and increased competition will benefit Oahu consumers. Further, we know that competition will mean lower prices and more choices for consumers.

Therefore, I urge you to not delay and promptly approve this application. Please place the power of choice in the hands of consumers and let us decide which company has the most innovative products and services at the most affordable prices.

Thank you for this opportunity to provide this written testimony on Hawaiian Telcom's cable franchise application.

Very Truly Yours,


Kai Noa Lilly
1551 Magazine Street
Honolulu, Hawaii 96822

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July 19, 2006

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

2006 JUL 19 P 2: 58

A ___ E ___ P / S ___

FILE _____

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

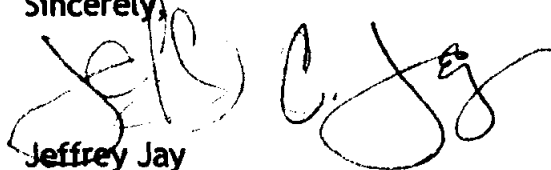
My name is Jeffrey Jay and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. I believe that we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Jeffrey Jay
1329 Kaihee Street #8
Honolulu HI 96822

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:58

A__E__P__S__

FILE_____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

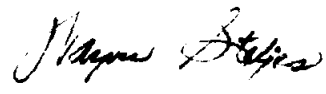
My name is Wayne Steljes and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Wayne Steljes
606 Pahupai Way
Honolulu, Hawaii 96821

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2: 58

A ___ E ___ P / S ___

FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

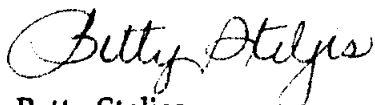
My name is Betty Steljes and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Betty Steljes
606 Pahupai Way
Honolulu, Hawaii 96821



Nancy Ortiz
45-551 A Palaka Road
Kaneohe, HI 96744

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

28

July 19, 2006

2006 JUL 19 P 2:58

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

A ___ E ___ P / S ___
FILE _____

RE: Hawaiian Telcom Services Company, Inc's application for cable television franchise and IPTV video service.

Dear Director Recktenwald:

My name is Nancy N. Ortiz and I would like to submit my written testimony in support of Hawaiian Telcom Services Company, Inc.'s application for a cable television franchise and IPTV video service for Oahu. I believe that having new video services will result in increased competition and hopefully, a greater variety of program offerings in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. I believe that we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Nancy N. Ortiz
Nancy N. Ortiz

21

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

2006 JUL 19 P 2: 59

A ___ E ___ P / S ___
FILE _____

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

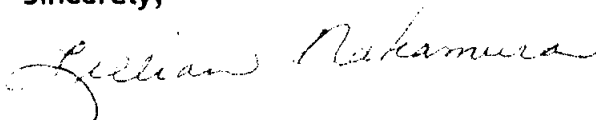
My name is Lillian Nakamura and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe that we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Mrs. Lillian Nakamura
3542 Kumu Place
Honolulu, Hawaii 96822



July 13, 2006

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A ___ E ___ P / S ___
FILE _____

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

My name is Laurie Imanaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Laurie Imanaka
201 Akiohala Street
Kailua, Hawaii 96734

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2: 59

A ___ E ___ P / S ___
FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

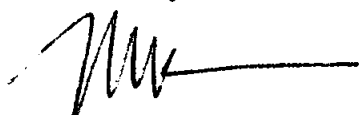
My name is Mike Imanaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Mike Imanaka
201 Akiohala Street
Kailua, Hawaii 96734

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A ___ E ___ P / S ___

FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

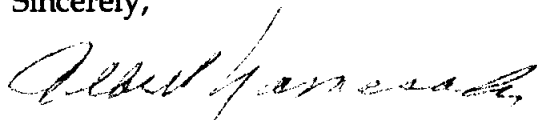
My name is Albert Yamasaki and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Albert Yamasaki
2584 Booth Road
Honolulu, Hawaii 96813

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A ___ E ___ P / S ___
FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

My name is Caroline Yamasaki and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Caroline Yamasaki
Caroline Yamasaki
2584 Booth Road
Honolulu, Hawaii 96813

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2: 59

A ___ E ___ P / S ___
FILE _____

July 13, 2006



E. Recktenwald, Esq.

Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

My name is Lee Boyd and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Lee Boyd
1440 Kapiolani Blvd. Suite 970
Honolulu, Hawaii 96814

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A__E__P/S__
FILE_____



Mr. Mark L. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

My name is Kanani Miura and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Kanani Miura

Kanani Miura
5224 Oio Drive
Honolulu, Hawaii 96821

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A ___ E ___ P / S ___

FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

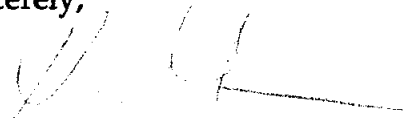
My name is Darold Imanaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Darold Imanaka
45-538 Mokulele Drive
Kaneohe, Hawaii 96844

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 2:59

A ___ E ___ P / S ___
FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

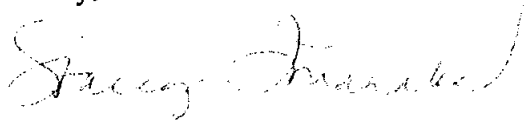
My name is Stacey Imanaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Stacey Imanaka
45-538 Mokulele Drive
Kaneohe, Hawaii 96844

38

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Cable Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

2006 JUL 19 P 2: 59

A ___ E ___ P / S ___
FILE _____

RE: Hawaiian Telcom Cable Franchise Application

Dear Cable Division:

My name is Mae Kuboyama and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu.

Today there is a monopoly in video service. I believe that we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you to support this application.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,

Mae Kuboyama

Mrs. Mae Kuboyama
2724 Date Stree
Honolulu, Hawaii 96816

39

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 3:00

A ___ E ___ P / S ___
FILE _____

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

My name is Claire Muranaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Claire Muranaka
1558-A Hanai Loop
Honolulu, HI 96817

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 3: 00

A ___ E ___ P / S ___
FILE _____

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

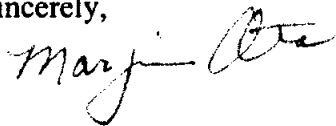
My name is Marjorie Ota and I would like to support approval by the DCCA of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service which is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Marjorie Ota
94-971 Kaaholo Street
Waipahu, HI 96797

(H)

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 3:00

A—E—P—S—

FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

My name is Mary Okinaka and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Mary Okinaka
411 Hobron Lane
Honolulu, Hawaii 96815

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CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

2006 JUL 19 P 3:00

A ___ E ___ P / S ___
FILE _____

July 13, 2006

Mr. Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald,

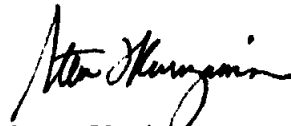
My name is Steve Kuriyama and I would like to support approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. I believe that Hawaiian Telcom's new video services will result in increased competition in the Oahu market that will benefit consumers.

Today there is a monopoly in video service. On top of this, the monopoly is not fully regulated by the state. I believe we need competition since this will mean more choices for me and lower prices since I will be able to choose a company based on the services and prices to fit what I want to watch.

I urge you not to delay this application. Please place the power of choice in the hands of the consumer and let us decide through competition which company has the most innovative products and services at the most affordable prices.

Thank you very much for allowing me the opportunity to present this testimony.

Sincerely,



Steve Kuriyama
1440 Kapiolani Blvd. Suite 970
Honolulu, Hawaii 96814

Hello, I am the co-founder of The Prayer Center of the Pacific
I'm here to testify how we have benefitted from the PEG Access.
First of all we would like to express our gratitude to Oceanic Time Warner in financing the availability of public access through the cable system.

Oleo has been a tremendous tool in the area of training, equipping and assisting in telecommunication. Their staff has been available for our enrichment as well as proving services in production they have been here for us in the community 16 Years. Trough out those years we have benefitted from their expantions in other communities as well as the ability to provide state of the art equipment.

We who live in a democratic society have been given the privilege to express diversity. This opportunity is extended to our public, education and governmental through cable access.

We at the Prayer Center of the Pacific have been able to service our community through the vehicle of Oleo. We are able to bring a message of hope to those who are in need as well the ability to teach bible principles that helps in day to day living. We have been successful in fulfilling our vision as the response from our community has been tremendous.
We have been able to bridge communities in events that are taking place in our Islands this keeps the spirit of Ohana alive which is the heart of our Island people.

Our request is that continued support be granted to PEG access. The benefits to our Island people is e measurable. Thank you for you time. We appreciate your services.

Virginia Domlegan
650-1187
94 Kumu Hwy Suite 202
Oahu City, Hawaii

HŌ'IKE KAUAI

COMMUNITY
TELEVISION

4211 Rice Street, Suite 103
Lihue, HI 96766 -1325
Vox: 808-246-1556
Fax: 808-246-3832

hoike@hoike.org
http://www.hoike.org

OFFICERS

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Gregory H. Meyers
Vice-President

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Secretary

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Teresa Tico

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Managing Director

William "BC" Charles

Jim Lucas

Robert "Boots" Riggan

Renate Seldon

Isaac Worth

July 19, 2006

Cable Television Division
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 101
Honolulu, Hawaii, 96813

Re: Hawaiian Telcom Cable Franchise Application

To Whom It May Concern:

Ho'ike: Kauai Community Television, Inc. has no objection to a cable franchise agreement with Hawaiian Telcom provided that provisions for compensation for the use of Public Rights of Way are insured. Specifically, we support language that would preserve the interests of Public, Education, and Government (PEG) Access to the bandwidth. It is imperative that IPTV is treated the same as cable television despite the technological differences.

Rights of Way compensation are clearly in the public interest and will assure an even playing field in the marketplace. The citizens of Oahu and throughout Hawaii are entitled to the opportunities that PEG Access provides. Any cable franchise agreement needs to include several distinct points that directly benefit the community. These elements are fair and cost effective for the cable operator.

First, a clear indication of the support of PEG Access must be part of the framework. This support is initiated by a franchise fee payment of up to 5% of the gross revenue with no less than 3% paid to the PEG Access provider annually for operating funds. We would support 1% being allocated to Hawaii PBS and 1% to the DCCA for administrative costs.

Second, a negotiated annual capital contribution should be provided in addition to the operating funds. This amount should be no less than \$3.00 per subscriber with the possibility of a larger amount determined through negotiations.

Third, the permanent provision of channel capacity or in the instance of IPTV digital bandwidth. This allocation should be equal to or greater than the current amount provided by the existing cable operator. It should also allow for the expansion of the system in the future based upon need and technology. The channels should be in consecutive order. They should also be located with other local programming i.e.; PBS Hawaii, Local Origination (of any nature).



Ho'ike: Kaua'i Community Television, Inc.
"Building Community Through Television"



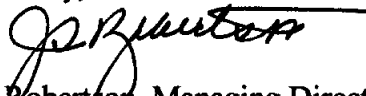
Connectivity to the bandwidth should clearly be defined as the responsibility of the cable operator and at no expense to the PEG Access organization. In no case should the PEG provider be forced into becoming a paying customer of the cable operator. All connections, lines, and equipment needed to access the cable system should be at the cable operator's expense and provided to the PEG.

It is recommended that the cable operator provide "Live Points of Origin". This provision would enhance the ability to produce important remote broadcasts for the benefit of the community. The existing cable operator has several live origination points on Oahu. The applicant should be required to provide an equal or greater number of sites.

A requirement for the build-out and deployment of the Institutional Network (INET) should be a component of any agreement. This provision would parallel the current requirement and possibly seek to provide an expansion of the community service.

Finally, it is hoped that these suggestions are deemed to be a measure of practical responsibility on the part of the applicant. Building community through media and communication is a vital mission shared by all. The benefits derived from the use of the public rights of way are vast and profitable. The appreciation for the use of these means is simply appropriate "Corporate Citizenship" at a basic level.

Sincerely,



J S Robertson, Managing Director
Ho'ike: Kauai Community Television

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James "Sparky" Rodrigues

86-222 Puhawai Road
Waianae, Hawaii 96792

DCCA Cable TV Division

E-mail: cabletv@dcca.hawaii.gov

P.O.Box 541 Honolulu, 96809

RE: "Application of Hawaiian TelCom Services Co, Inc. for a Cable Franchise."

I have used PEG Access, 'Olelo Community Television to build stronger communities. Using 'Olelo Community Television resources in Underserved and Underrepresented communities have given them a chance to have a voice, gain skills, team and solve community problems. Youth, from Elementary, Middle and High school, Kupuna and Issues never reported on Network or in mainstream media, have all had a voice with PEG Access via 'Olelo Community Television.

On a personal note, Company's that give back to community in a meaningful responsible way, gets my business and LOYALTY. As a consumer I always look for the best value, measured against the best company. I am currently a customer of both Oceanic and Hawaiian TelCom. I tried to get more services from HwnTelCom but could not be served where I live and Oceanic provided the service. I could have gone to the cheaper Satellite services but because Oceanic gives back by providing funds for PEG Community Access Television, I chose Oceanic. HwnTelCom have since upgraded service to our community but have not convinced me to switch. Satellite services do not give back to the community by supporting PEG Community Access, so they will NEVER get my business. Also, I lost a lot of respect for OceanicTimeWarner when they cut the internet funds support to PEG Community Access. Add the internet revenue to your support package, to your give back and I'll sign on tomorrow. I would like see in your Franchise agreement;

1. Match or exceed what Oceanic is currently funding PEG Community Access and I will consider you as a service provider.
2. Exceed in a meaning full way what Oceanic is giving and you get my serious consideration.
3. Exceed and add your internet revenues into the calculations and I will sign up right now.
4. A portion of gross revenues to support all PEG operations.

5. Provide Capital support that is flexible & adaptable to maintain current operations / facilities / equipment and allow for upgrades & acquisition of PEG facilities to keep up with emerging technologies.
6. Provide Cross promotion of Access programs on all cable channels.
7. Provide Analog and Digital channels Bandwidth for all Community Access Television
8. Programming in an expanding capacity to allow for growth into emerging technologies and community development needs.
9. Offer Programs on Demand services, interactive applications, with the needed support to insure PEG Access success.
10. Consecutive numbering of channels close to local channels & PBS Hawaii.
11. Offer Closed Captioning for all programs including all Native languages.
12. Offer expanding revenue stream support to PEG Community Access in all emerging technologies that may become part of the Cable/net systems.
13. Allow for Flexibility & Expanding Cable/Net services and bandwidth.
14. Live Origination points around the island and as expended to all islands. Provide additional location for Live Origination points at PEG Community Media Centers, Schools or Community centers, examples, Wai'anae, Nanakuli, Waipahu, Wailua, Wahiawa, Kahuku, Haaula, Waiahole, Waimanalo, Papakolea, Outer islands, Kaunakakai, Lanai city, Hana, Oluwalu, Paia, Kahului, Makena, Hilo, Kona, Southpoint, Waimea, Honoka'a, Puna, Naalehu, Captain Cook landing, Kawaihae, Lehui, Hanalei... and all other underserved, underrepresented rural communities in the State of Hawaii
15. Provide unrestricted commercial channel space (Both analog & digital channels) to actively promote and fund raise beyond funding limits.

I want PEG Community Access to be a resource that continues to build community and promote the Democratic process. Oceanic will not give up their market share willingly but you can sway the public to your favor by helping us become a stronger community. The HwnTelCom franchise needs to be Willing, Flexible and Adaptive in working with PEG Access that Sets the Bar really high for Oceanic, Take the lead and EXCEED.

Mahalo,
James "Sparky" Rodrigues
86-222 Puhawai Road
Wai'anae, Hawaii 96792
808-696-2823

**Testimony of Time Warner Telecom of Hawaii, L.P.
Before The Department of Commerce and Consumer Affairs
On the Application for a Cable Franchise
By Hawaiian Telcom Services Inc.
July 19, 2006**

Aloha. My name is Edward C. Murley, and I am the Vice President of Regulatory Affairs for Time Warner Telecom. Time Warner Telecom ("TWTC") is a national competitive telecommunications carrier with operations in 44 markets across the United States. TWTC has been providing competitive telecommunications services in Hawaii since 1994 and today we serve hundreds of large businesses, governmental agencies and other telecom carriers across the State. We are a facilities-based competitor and own and operate an extensive fiber optic network on Oahu and an inter-island fiber optic system connecting Kauai, Oahu, Maui, and the Big Island.

TWTC offers a suite of telecommunications solutions and services to Hawaii's business community. Our primary competitor is Hawaiian Telcom ("HT").

Time Warner Telecom is not the cable company and we do not offer Road Runner internet service or digital phone services; these services are provided by Time Warner Cable.

While it originally began as a subsidiary of Time Warner Cable, the company was spun off in 1997 to become publicly traded, stand-alone entity. Today, our financial relationship with Time Warner Cable has decreased to the point that Time Warner Cable's parent Time Warner Inc now has just a 28% economic interest in Time Warner Telecom.

As a general principle, Time Warner Telecom supports competition. We exist for competition's sake. For the last decade or so, TWTC has successfully pursued a number

of public policy goals in the federal and state arenas, including Hawaii. The State has embraced a number of laws, rules, regulations and tariffs that have made telecom competition possible.

Some of the pro-competitive policies TWTC has pursued may be relevant to the Department in this matter. Specifically, TWTC has advocated that:

1. The state should not only allow but should promote competition, particularly facilities-based competition which gives customers a true choice in providers.
2. The rules and regulations that establish the competitive playing field need to be fair and equitable.
3. Government-mandated social programs -- such as universal service support for high cost areas or for schools and libraries -- and the taxes or surcharges that support the costs for such programs, must be equitably allocated and must be competitively neutral, even across different technologies.

TWTC very much believes that when properly done, competition can bring consumers a great range of benefits and that, in general, service quality and customer choice improve while retail prices decrease as the result of competition.

HT's desire to enter the cable television business is not unique to Hawaii. In most of these situations across the country, TWTC does not take a position on the local telephone companies' applications to get into the cable TV business. TWTC generally doesn't care about such plans. We are simply in the business of providing competitive solutions to our business customers' telecom requirements.

However, as you are likely aware, Hawaiian Telecom is going through a very tumultuous systems conversion. On April 1st, HT changed out virtually all of their back office systems and processes. The magnitude of the transition cannot be understated, and it even may be the first time a large incumbent telephone company has undertaken such an extensive endeavor all at once. In creating the new company, HT chose to take on a

very aggressive and daunting task, one perhaps even more difficult than entering the cable business.

Hawaiian Telcom's conversion has not gone well. Some of these problems are fairly well known by the various press reports and to any customer who has received a bad bill from HT, who has had to wait on hold for 20 to 30 minutes to report a problem, or that has inadvertently had their service interrupted because of the problems. TWTC has experienced all of these problems too.

Some of the problems TWTC is experiencing as a result of HT's system conversions are less well known. Many people are not aware that even as a facilities-based competitor with our own network, TWTC must necessarily rely on HT for a number of critical things, matters which HT is required by state and federal laws and rules to provide to its competitors.

The rules have been set up to promote competition and to make the customer experience of transferring from one carrier to another almost transparent. For example, the carriers must carefully "port" telephone numbers so that customers can choose a different carrier while keeping their numbers, their business cards and letterhead the same. With a customer's permission, the carriers must also share data with each other to ensure a customer's technical requirements are met. Without these and other requirements, competition would be impossible and customers would be left without any choices for their telecommunications needs.

These are two of many critical areas in which HT's conversion problems impact TWTC. Unfortunately, TWTC's customers also are impacted by HT difficulties. When our customers' requests for services are delayed or, worse, when their existing services are accidentally disconnected, HT's problems are hurting TWTC's reputation in market and, to the extent that they continue, could have significant negative effects on the overall state of telecom competition in Hawaii.

In its Docket No. 04-0140, the Public Utilities Commission ("PUC") ultimately approved the sale from Verizon to the Carlyle Group to create what is now Hawaiian Telecom. As part of its March 2005 Decision and Order approving the sale, the PUC also approved an agreement, a stipulation, between TWTC and HT in which HT guaranteed TWTC certain things. The basic principle of this agreement was simple – HT would provide the same system functionality that Verizon had provided before the cut-over.

While the commitment was simple, it was significant. TWTC could not afford to be harmed by HT's desire to change out its entire suite of back office systems. The commitment is also important to the State in its efforts to continue to support telecom competition, and thus it was approved and even expanded upon by the PUC. At the time, HT assured us that we would not be substantially impacted by the transition. TWTC believes that HT has failed to meet its commitments. In fact, the problems are so severe that TWTC has been forced to escalate this matter directly to the PUC's attention. In a filing last month, TWTC detailed for the PUC the extent of the numerous problems that TWTC and our customers are experiencing.

The purpose of TWTC's testimony today is to inform the Department that our telecom concerns are being investigated at the PUC and that the companies are involved in almost daily conversations, some of which take place at the highest executive levels, to try to resolve the problems as fast as possible. However, TWTC continues to experience extensive difficulties some four months after HT's system cut-over. Thus, TWTC feels it must take the unusual step of commenting on HT's cable application before the Department.

TWTC strongly believes that HT must first prove that it has complied with its promises before it can go on to new business. Further, given its limited amount of economic, technical and human resources, HT's priorities must remain focused solely on fixing the enormous problems with its telecom business. We do not believe HT should even be working on new telecom products and packages at this stage, let alone on far reaching and cutting edge endeavors such as IP TV.

Therefore TWTC recommends that the Department postpone any approval of HT's plans for entering the television business until such time that the PUC finds HT in compliance with the numerous commitments it made during the process of being sold off by Verizon. HT promised the Commission, the competitors and the State that it could handle its stand-alone responsibilities without Verizon's assistance. TWTC does not believe HT has proven its capabilities yet. TWTC certainly does not believe that the State should now reward HT with a cable franchise. HT must first demonstrate that they have kept their promises from 2005.

Thank you very much for this opportunity to testify and provide Time Warner Telecom's perspective on this important matter.



**COMMENTS OF OCEANIC TIME WARNER CABLE ON
HAWAIIAN TELCOM SERVICES COMPANY, INC.'S
APPLICATION FOR CABLE TELEVISION FRANCHISE FOR OAHU BEFORE THE
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, STATE OF HAWAII**

July 19, 2006

Oceanic appreciates this opportunity to provide comments to the Cable Television Division of the Department of Commerce and Consumer Affairs with respect to Hawaiian Telcom Services Company, Inc.'s application for a cable television franchise for the island of Oahu, which the DCCA accepted for filing on June 21, 2006.

Oceanic welcomes fair competition and believes that consumers ultimately benefit from the ability to make informed choices. Securing these benefits to consumers in a regulated environment, however, requires a level playing field for all participants. Accordingly, Oceanic believes that the DCCA, in considering and evaluating Hawaiian Telcom's application, should ensure simple fairness in the marketplace by applying comparable franchise requirements and standards to Hawaiian Telcom as it has applied to Oceanic.

Among other requirements through various decisions and orders, Oceanic's Oahu franchise (which runs until December 31, 2009) requires:

- Cable television service to all areas of Oahu subject to a density standard;
- At least 80 analog channels (which subscribers with cable-ready televisions may receive without a set top box);

- Systematic technological upgrades of Oceanic's system to expand Oceanic's services and reliability;
- PEG fees of three percent of gross revenues to PEG access; one percent of gross revenues to Public Television; and one percent of standard and installation revenues to the DCCA;
- PEG capital contributions of \$823,000 per year;
- Cable drop and standard cable service without charge to all public schools and libraries, and juvenile detention and correctional facilities;
- The provision of a number of interconnections (using fiber optic lines, material and electronics for two-way broadband video, voice and data capabilities) to government sites at no charge or cost to the State or subscribers; and
- The provision of interface capability from the Hawaii Interactive Television System (HITS) to Oceanic's system at no charge or cost to the State.

Since its current Oahu franchise was awarded in 1989, Oceanic has invested considerable resources and provided substantial benefits to our community in compliance with the franchise requirements. Oceanic, for example, has provided on Oahu:

- A build-out of service to all areas on Oahu (at a standard of 25 homes per mile);
- INET fiber connections to 66 state data sites; 12 PEG video sites; and 26 county data sites at an estimated capital cost of \$200,000. This

infrastructure has allowed the State to utilize the INET for services, which, if purchased commercially, would cost the state approximately \$10.6 million in monthly recurring charges.

- Systematic upgrades to Oceanic's system, including phased-in upgrades to expand analog channel capacity from 360 MHz to 750 MHz, and the deployment of digital technology.

To ensure consumers receive the benefits of fair and effective competition through a level playing field, Oceanic believes that the DCCA should fully consider and vet the following issues that are raised by Hawaiian Telcom's application:

- **Coverage area and build out:** Hawaiian Telcom proposes to utilize ADSL2+ / VDSL2 high-speed Internet access service to provide digital video services, which is in the process of being deployed, but is not yet available as a service offer in any geographic area on Oahu. The DCCA should carefully evaluate Hawaiian Telcom's plans and time table regarding the build out of the necessary upgrades. The DCCA should further evaluate how the loop limits inherent in the underlying DSL technology will affect the service area. Oceanic believes that Hawaiian Telcom should be required to provide its video service in all areas of its existing telephone service footprint where the 25 homes per mile line extension standard of Oceanic's franchise is met pursuant to a reasonable build out schedule.
- **Lack of Analog Capacity:** Due to the different nature of the technology employed, Hawaiian Telcom has not proposed to provide analog service.

While Oceanic's franchise currently requires the provision of analog channels, Oceanic anticipates that, if it seeks to modify this requirement due to advances in technology, the DCCA would carefully and fairly consider the request.

- **INET Proposal:** Hawaiian Telcom's application proposes to provide a "credit" to the DCCA equal to one percent of gross revenues, and the DCCA shall use those credits to purchase network products and services from Hawaiian Telcom. Hawaiian Telcom has indicated that it has no other proposal for INET contributions. Oceanic believes that the DCCA should carefully evaluate the proposed credit / purchase arrangement with Hawaiian Telcom. As noted above, Oceanic has provided significant INET investments and contributions without a credit / purchase arrangement, and Oceanic believes that Hawaiian Telcom should be required to provide comparable services and resources to benefit the state and local government and our community.
- **Support of PEG Access Channels and Facilities:** Although Hawaiian Telcom has indicated that it will adhere to the operating fee payment structure as defined by the DCCA for PEG funding, Hawaiian Telcom should also be required to provide funding to 'Olelo, Public Television and the DCCA consistent with the requirements imposed on Oceanic, or Oceanic should be relieved of these obligations. Hawaiian Telcom has not committed to specific PEG capital funding levels. As noted above,

Oceanic has provided capital funding of \$823,000 per year, and a



comparable amount should be required of Hawaiian Telcom.

Cable drop and basic cable service to schools: As noted above, Oceanic

provides basic cable service at no charge to all schools, libraries and correctional facilities on Oahu. Citing the cost and technological issues relating to DSL technology, Hawaiian Telcom proposes to provide one DSL service connection and one set top box to each school and institution of higher education (i.e. only one television per school would have Hawaiian Telcom service). In lieu of providing more extensive service, Hawaiian Telcom proposes to provide a separate “security and surveillance video channel” to each school. Oceanic believes the DCCA should evaluate how the “security and surveillance video channel” would operate, and whether this channel provides adequate and comparable value to the community in lieu of more extensive service to the community.

- **Customer Service Evaluation and Monitoring:** Hawaiian Telcom has indicated that it will be utilizing its current customer support infrastructure to support its video service, but does not propose how and when customer service will be monitored and evaluated by the DCCA. Oceanic currently works with the DCCA to jointly design and employ a customer service survey once per year. Oceanic believes that the DCCA should require similar customer service monitoring and evaluation of Hawaiian Telcom in addition to any other customer service standards imposed through other

regulatory requirements, as long as the DCCA continues to require this of Oceanic.

The foregoing are some of the major issues that the DCCA should consider and evaluate in connection with Hawaiian Telcom's application.

In responding to the DCCA's First Request for Clarification / Supplemental Information dated May 31, 2006, Hawaiian Telcom argues that the DCCA should apply different standards to Hawaiian Telcom than the standards imposed upon Oceanic. Hawaiian Telcom argues that its different treatment is justified because: 1) it will not create additional burdens or impositions on the public rights of way; 2) Hawaiian Telcom's decision to use different technology justifies different treatment (thus, for example, justifying only one set box per school and making build out requirements "unnecessary in Applicant's situation"); and 3) the requirements imposed upon Oceanic were "the quid pro quo for the privilege of being the first entrant in an uncontested, wide-open market." Hawaiian Telcom's arguments do not justify the imposition of more burdensome franchise requirements on Oceanic than on Hawaiian Telecom.

As an initial matter, Hawaiian Telcom goes so far to argue that it "believes that IPTV is not a cable service subject to the State cable franchise statutes[.]" but for "expediency, however, Applicant is willing to work with the Department in consideration of a cable franchise[.]" Pursuant to HRS Chapter 440G, every person who constructs and operates a "cable system," designed to provide "cable service" (i.e. the one way transmission to subscribers of video programming or other programming service and subscriber interaction, if any, which is required for the selection of video programming or other programming service) must obtain a franchise.

Hawaiian Telcom fails to address how and why the definitions and requirements of HRS Chapter 440G are inapplicable to its video service. Other jurisdictions, however, have determined that video services similar to IPTV are subject to cable franchise statutes. *See, Pacific Bell Telephone Co. v. The City of Walnut Creek*, 428 F.Supp.2d 1037 (N.D. Cal. 2006). And for a discussion of why Oceanic believes that Hawaiian Telcom's planned video services are cable services under federal law, Oceanic refers the DCCA to the filings at the FCC by the National Cable and Telecommunications Association in WC Docket No. 04-36. Most importantly, Hawaiian Telcom has in fact conceded to the regulatory authority of the DCCA by submitting a franchise application, which must now be considered and ruled upon pursuant to Chapter 440G.

Having submitted an application for a franchise to provide cable service, Hawaiian Telcom's decision to use different technology to provide its video service does not justify a franchise with regulatory requirements which will effectively discriminate against Oceanic. The benefits that Oceanic's franchise provides to students, the government, and potential subscribers in areas meeting the density standard are not tied to the technology it uses to provide its service.

In addition, while Hawaiian Telcom also argues that it will not require the use of any *new* public rights of way to provide its video service, the fact is that Hawaiian Telcom *will use public rights of way in providing its service*. Thus, while Oceanic recognizes that Hawaiian Telcom is already subject to various regulatory requirements for using the public rights of way, Hawaiian Telcom is now seeking to provide a video service regulated by the DCCA through those rights of way, and the regulatory treatment of the *service* must be fair and equitable.

Finally, Hawaiian Telcom's argument that a new entrant into the cable television business should be afforded "less burdensome requirements," is unpersuasive. The obligations imposed in Oceanic's franchise are not conditioned on its size. And it is not the role of the DCCA to handicap competition by seeking to compensate for circumstances which provide a perceived competitive advantage or disadvantage to one competitor or another through discriminatory regulatory treatment. Any such attempt will distort rather than encourage fair competition. While Hawaiian Telcom advocates the "competitive market," it paradoxically seeks to change the playing field so that the "burdensome requirements imposed by the Department" to assist consumers, government and the community are eliminated for Hawaiian Telcom but maintained for Oceanic.

Thus, lost in Hawaiian Telcom's effort to seek "expediency," is the practical reality that the true benefits of competition to consumers and the community arise from a level playing field. Simply stated, Oceanic is not requesting that the DCCA impose any more burdensome requirements upon Hawaiian Telcom than imposed upon Oceanic or even to require precisely identical requirements. Oceanic believes, however, that substantially comparable, competitively non-discriminatory requirements upon Hawaiian Telcom will ensure effective and robust competition for the benefit of Oahu's consumers and the community.

Thank you again for this opportunity to provide comments to the DCCA.

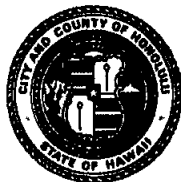
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DEPARTMENT OF INFORMATION TECHNOLOGY
CITY AND COUNTY OF HONOLULU

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MUFI HANNEMANN
MAYOR



GORDON J. BRUCE
DIRECTOR

KEITH ROLLMAN
SENIOR ADVISOR

July 19, 2006

**Testimony on Behalf of the City and County of Honolulu
Regarding Hawaiian Telcom Services Company, Inc.'s Application for a Cable Franchise**

We support the concept of free market competition. When businesses compete, it is the consumers, the residents of Honolulu, who benefit through increased choice, better access and lower costs. That is why we welcome the emergence of competitors for the delivery of digital information to the public, whether it is video content, phone service, data or wireless. We therefore support Hawaiian Telcom Services Company, Inc.'s intent to enter the Honolulu cable video market.

Current jurisdictional disputes exist in the area of telecommunications regulatory law. There is new legislation making its way through the U.S. Congress that could change the entire structure of the Telecommunications Act and dramatically alter the way franchises for networks and cable systems are granted. Even in this fluid legal environment the one constant is the City of Honolulu's jurisdiction over its own rights-of-way, and construction permitting processes needed to build out any city-wide telecommunications infrastructure.

The city stands ready to assist any and all service providers with permitting and by negotiating rights-of-way along city streets and sidewalks and easements to locate and maintain equipment facilities.

The city must ask for compensation, in some form, on behalf of the taxpayers of Honolulu, for use of this city property. The citizenry have a reasonable expectation to some benefits package or public service in return for allowing private business to profit from the use of public properties. The precedent is well established. We should not be encumbered by any existing rights-of-way agreements instituted by government entities and redecessors of Hawaiian Telcom Services Company, Inc that go all the way back to Territorial days. Those

considerations were designed for implementation of a land-line telephone system and we are now embarking on new technologies and capabilities not even imagined at that time.

In order to maintain a fair marketplace and level playing field, any compensation to the city should be based on the closest historical comparable agreement. In 1992 as part of the negotiated settlement between the State, City and Oceanic Cable, the city was granted dedicated use of two strands of fiber-optic cable throughout the Oahu-wide system. This capability has allowed the city to provide the public with traffic cameras, and substantially reduced costs for intra-government computer networks and telecommunications operations.

We would therefore look to Hawaiian Telcom Services Company, Inc. for similar compensation, which could take any number of physical manifestations. We would like to enter into direct negotiations on (but, not limited to) such subjects as additional fiber-optic capacity, 311 operations, broadband wireless infrastructure, or some other form of contribution.

I am sure we can reach an agreement that is fair to all parties, and especially, to the taxpayers of Honolulu, who, in turn, are the present and future customers of Hawaiian Telcom Services Company, Inc. With that expectation, we support Hawaiian Telcom Services Company, Inc.'s application for a cable franchise to operate within the City and County of Honolulu.



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**The Chamber of
Commerce of Hawaii**

Since 1850

Celebrating 155 years of serving the Business Community



Recktenwald, Esq.

Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

The Chamber of Commerce of Hawaii ("Chamber") supports Hawaiian Telcom's application for a cable television franchise for Oahu. The Chamber has read information regarding Hawaiian Telcom's proposed IPTV service and believes that it will bring additional capital investment and competition to Oahu that will benefit our economy and its consumers.

Over the past several years, we have all been able to observe first hand the explosion in innovation of new products and services in the communications market. Competition in this market has driven the introduction of communication and entertainment services, and technology development. Consumers on Oahu now have the opportunity, if granted by the DCCA, to have more choices in this market through cable video service providers.

As a result, this competition will drive all providers of video service to more fully meet the needs of Oahu's consumers through the continued development and deployment of new technology. Furthermore, consumers will continue to benefit from state-of-the-art networks with these advances in technology. These services have become an integral part of our everyday lives and business operations, and continuing this competition will meet customer demands and enhance the State's economy.

For these reasons, The Chamber of Commerce of Hawaii respectfully requests that the DCCA move to approve Hawaiian Telcom's application expediently, so that Oahu's residences will have the opportunity to choose from a competitive market.

Sincerely,

Jim Tollefson
President & CEO



2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, HI 96813

ECONOMIC DEVELOPMENT
ISLAND OF OAHU



RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

Enterprise Honolulu would like to express its support for the approval by the Department of Commerce and Consumer Affairs of Hawaiian Telcom's application for a cable television franchise for Oahu. Enterprise Honolulu believes that Hawaiian Telcom's commitment to provide video services will result in additional investment infrastructure and increased competition in the Oahu market that will benefit both the State's economy and its consumers.

Some may view Hawaii as geographically isolated. However, from a communications perspective, we are fully integrated into the worldwide communications network by being one of the most wired and broadband capable states. In fact, Enterprise Honolulu's web site notes that Honolulu is the Number 1 Digital City in the United States.

Hawaiian Telcom's video services plans will result in additional capital being invested in Oahu's telecom infrastructure. As Hawaiian Telcom is already faced with competition in its core telephone business, its ability to offer consumers a full menu of services, including video services, will enhance its ability to continue to provide reliable and state of the art communications services - - something that is basic to creating and attracting new business investment and good paying jobs for Oahu citizens.

Not only will Hawaiian Telcom's plans further improve Hawaii's communications network, but it will also offer Oahu's consumers increased choices in the video services market is something they do not enjoy today. The innovation in products and services, service performance and the prices that are charged will through competition be appropriately determined and driven by Oahu's customer's choices.

As Oahu's leading economic development organization, Enterprise Honolulu respectfully urges the DCCA to approve Hawaii Telecom's requested application and to not require any unreasonable conditions that may delay the investment in infrastructure and launch of this competitive new service in Hawaii.

Thank you very much for allowing Enterprise Honolulu the opportunity to present this testimony.

Sincerely,

Mike Fitzgerald
President & CEO
Enterprise Honolulu



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HONOLULU

737 Bishop Street, Suite 2040, Honolulu, Hawaii 96813 • 808-521-3611

THE BUSINESS CLIMATE OF PARADISE

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THE FILIPINO COMMUNITY CENTER, INC.

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July 19, 2006

Mr. Clyde Sonobe
Administrator, Cable Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

RE: **Hawaiian Telcom Cable Franchise Application**

Dear Mr. Sonobe:

My name is Theresia McMurdo and I am the vice chair of the Filipino Community Center's board of directors. The Filipino Community Center supports Hawaiian Telcom's application for a cable television franchise for Oahu.

We believe Hawaiian Telcom's entry into the video services market and the resulting competition it creates is a win for consumers overall. We will all benefit from this innovative technology because new capital will be invested in Oahu's communications infrastructure and additional jobs will be created.

Hawaiian Telcom has been a strong supporter of the community through its charitable giving program. This tradition of giving dates back over a century. We believe that support for Hawaiian Telcom's proposed IPTV service will allow the company to continue to give back to the community for another 100 years.

Approval of this application is good for consumers, the economy, and our community. Please support Hawaiian Telcom's application for a cable television franchise.

Thank you very much for the opportunity to present this testimony.

Sincerely,

Theresia C. McMurdo
Vice Chair

July 18, 2006

Mark E. Recktenwald, Esq
Director
Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 310
Honolulu, Hawaii 96813

RE: Testimony Regarding Hawaiian Telcom Cable Franchise Application

My name is Bennete Evangelista, a community leader and volunteer , and I thank you for the opportunity to speak in favor of this application.

As someone who has been in the local business community for many years, I was one of those who cheered from the sidelines when news broke that the phone company was going local. I knew the economic impact would be tremendous. I welcomed the fact that these jobs were being brought back to Hawaii and more importantly, we could now interact with phone employees who understand local ways, and yes, local accents. As Hawaiian Telcom grew in the marketplace, I continued to be impressed by their solid corporate citizenship. Always supportive of the community and its causes, they have continued to give back to Hawaii and its people. I have been on numerous non-profit boards, and I know first-hand that corporate support is so critical to an organization's survival.

But that is **NOT** the reason why I am supporting this application. I am supporting this application for economic reasons.

First of all, I support it because this offers a choice for our Hawaii consumers. In every economy, in every industry, a monopoly is not healthy. Competition is always good because it drives all parties to render their best offerings. Whether it be price or customer service, the consumer will ALWAYS reap the benefits.

Second, I support it because the addition of cable services will bring more capital and infrastructure investments to Hawaii. This represents millions of dollars in direct spending, not to mention, additional jobs for our people. I am not an economist, but surely, if you add the multiplier effect, that investment yield can actually be three-fold.

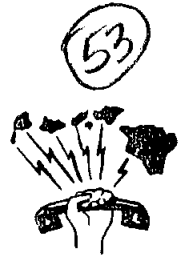
Third, I support it because the particular technology that Hawaiian Telcom is proposing to use, can offer unlimited expanded services and channels. It is not one where channels are strategically removed to accommodate new ones demanded by the market. Think about it: with Hawaii's multi-ethnic and immigrant population, it would be the ideal situation. Instead of having one channel devoted to Korean soap operas, try five; Or instead of having one Filipino channel, maybe, try seven channels, with one playing Filipino movies, like a Filipino HBO. My 71-year old mother would be so pleased.

This is an opportunity we cannot afford to miss. I urge the Division to favorably respond to this application (I know my mother would thank you). Much mahalo for your kind attention.



International Brotherhood of Electrical Workers

Telephone Local Union 1357
2305 S. Beretania Street #206 • Honolulu, Hawaii 96826
Telephone (808) 941-7761 • Fax (808) 944-4239



Scot F. Long
Business Mgr./ Financial Sec.

George K. Stender, Jr.
President

July 19, 2006

Mark E. Recktenwald, Esq.
Director
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

RE: Hawaiian Telcom Cable Franchise Application

Dear Director Recktenwald:

On behalf of IBEW Local Union 1357, I would like to testify in strong support of Hawaiian Telcom's application for a cable television franchise for Oahu. IBEW Local Union 1357 believes that Hawaiian Telcom's proposed video service will benefit our state by infusing additional capital investment in the islands and creating more job opportunities in Hawaii.

IBEW Local Union 1357 is not only proud of its long history of actively supporting new advancements in the communications field that have resulted in Hawaii being a leader in telecommunications infrastructure, but also of the opportunities created for greater employment security or job growth for our current and future union members. IPTV is a technology we support because competition in the video service market means consumers will now have a choice in deciding which video service provider provides the best products and services to fit their needs. When IPTV becomes available, please be assured that our members will be fully committed to providing the quality service that consumers expect and will demand from this innovative new offering.

Hawaiian Telcom's willingness to commit significant investment capital and resources to IPTV brings the benefits of increased infrastructure, competition and employment opportunities to our state while further enhancing Hawaii's reputation as the best place to live, work and raise a family.

For these and other reasons, IBEW Local Union 1357 respectfully requests that the Department of Commerce and Consumer Affairs move to approve Hawaiian Telcom's



Mark E. Recktenwald, Esq.
Director
Department of Commerce and
Consumer Affairs
July 19, 2006
Page two

application as soon as possible and without any conditions that may unreasonably delay or jeopardize the introduction of these services to Oahu's residents.

Thank you very much for allowing IBEW Local Union 1357 the opportunity to present this testimony.

Sincerely,

Scot F. Long
Business Manager-Financial
Secretary

SFL:nkl



"Robert Stiver" <stiver-aloaha@hawaii.rr.com> on 07/19/2006 01:46:29 PM

54

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: "Olelo PA TV" <olelo@olelo.org>, "Olelo" <info@olelo.org>, <cabletv@dcca.hawaii.gov>
cc:

2006 JUL 19 P 2: 21

Subject: Re: Application by Hawaiian Telcom Services Company Inc. for a Cable Franchise

A/E P/S



realize that Ji Soo doesn't work on Wednesdays and that the below
may not be accessed by her before the DCCA meeting today. If this
will be in time for the attachment to be printed and entered into
rd, we'll be glad.

Aloha, Bob Stiver and Ramsis Lutfy

----- Original Message -----

From: "Robert Stiver" <stiver-aloaha@hawaii.rr.com>
To: "Ji Soo Kim" <jkim@olelo.org>
Cc: "Ramsis and Judy Lutfy" <lutfyr001@hawaii.rr.com>
Sent: Tuesday, July 18, 2006 9:40 PM
Subject: Application by Hawaiian Telcom Services Company Inc. for a Cable Franchise

Ji Soo, please see if the information contained in "Olelo-PEG" attachment will be of help to Olelo at the Wednesday DCCA meeting. If you are able to make a copy of the attachment and submit it as a comment from us, we will appreciate it!

Unfortunately, we have other things going on and cannot attend the meeting.

Aloha, Bob Stiver and Ramsis Lutfy

----- Original Message -----

From: "Olelo Community Television" <info@olelo.org>
To: "Olelo Clients" <info@olelo.org>
Sent: Thursday, July 13, 2006 12:11 PM
Subject: Application by Hawaiian Telcom Services Company Inc. for a Cable Franchise

Aloha,

In addition to the State Procurement issue that we have addressed with you recently, there is another very important issue on the horizon for Cable Television and Public, Educational and Governmental (PEG) Access in your community.

As you have no doubt heard, Hawaiian Telcom Services Company, Inc. (Hawaiian Telcom) has filed an application for a cable franchise with the Department of Commerce and Consumer Affairs (DCCA). If granted, the franchise would allow Hawaiian Telcom to offer cable television services on O`ahu. Granting of the franchise by the DCCA would allow Hawaiian Telcom to compete with Oceanic Cable, O`ahu's current cable television provider that serves over 90 percent of homes on our island and is the sole funder of PEG Access services on O`ahu.

Since everyone on O`ahu will be affected by the terms of cable franchises, I wanted to tell you about an upcoming opportunity to comment on the application. The DCCA will be holding a public hearing:

Wednesday, July 19, 2006 at 4:00 pm
King Kalakaua Bldg, 335 Merchant Street, Liliuokalani Conference Room

If you are unable to attend the public hearing, written testimony may be submitted until Friday, July 21, at 4:30 pm via:

Email to cabletv@dcca.hawaii.gov
Fax at (808) 586-2625 or
U.S. Mail at
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

It is important that the DCCA hearing from the community as it considers granting Hawaiian Telcom a long term cable television/video provider franchise. If you would like to provide testimony:

* Tell the DCCA how PEG Access services have benefitted you and your community as it is important that both the DCCA and Hawaiian Telcom have a clear understanding of the breadth and benefits of PEG Access from your perspective.

* Discuss your future needs and expectations for any new cable television/video provider, including system functionality, maintenance, customer service and programming.

Please send `Olelo a copy of your testimony for our records.

More information on Hawaiian Telcom's application can be found at http://www.hawaii.gov/dcca/areas/catv/cable_operators/hawaiian_telcom/. Click on "Notice of Public Hearing In Re Application of Hawaiian Telcom Services Co, Inc. for a Cable Franchise."

`Olelo's goal is to ensure the community has the ability to utilize and take full advantage of current and future technological advances to provide the privileges and possibilities of community communications. We believe each cable television franchise holder on O`ahu should provide PEG support of comparable value. It is our understanding that Hawaiian Telcom is prepared to provide comparable PEG access support. However, to ensure such obligations are included in Hawaiian Telcom's franchise with the State, we believe it is key to provide testimony supporting PEG access resources, channels and more. Therefore, Hawaiian Telcom should, at a minimum, match what is required of Oceanic, including:

A portion of gross revenues to support PEG operations.
Oceanic provides PEG operating funds equal to 3 percent of its gross revenues.

Capital (Equipment and Facilities) support.
These are additional funds that are used to fund equipment acquisition or upgrades of PEG facilities. Oceanic currently provides \$3 per subscriber per year.

Live Origination Points.
These allow remote origination of live PEG programming at a variety of locations on the island. Not all Community Media Centers are able to originate live programs from their centers, but we would hope to make this possible through a Franchise agreement with Hawaiian Telcom.

Channel capacity.
The equivalent bandwidth for our current six analog and six digital channels, with the option for more as programming increases.

The attached document will provide more detail on these points and background information regarding this issue. Please contact me, Gerry Silva or Meredith Nichols at 834-0007, extension 100 if you have any questions.

By providing testimony, you can help to convey the value of PEG Access to

the DCCA and Hawaiian Telcom and ensure those benefits for the future.

Mahalo,

Keali'i Lopez
President and CEO
Olelo Community Television



- HawnTelcom Franchise Information Sheet.pdf



- Olelo-PEG.doc

Application by Hawaiian Telcom Services Company Inc. for a Cable Franchise



Background Information

On May 5, 2006, Hawaiian Telcom Services Company Inc. (Hawaiian Telcom) filed an application for a cable franchise with the Department of Commerce and Consumer Affairs (DCCA). If granted, the franchise would allow Hawaiian Telcom to compete with Oceanic Cable (Oahu's current cable television provider) and offer cable television/video services on O'ahu. Oceanic serves over 90 percent of homes on our island.

We are all affected by the terms of cable franchises on O'ahu. First and foremost, this is an opportunity to tell the DCCA about what you expect of any new cable television/video services provider, to include system functionality, maintenance, customer service and programming. It is also an opportunity to reinforce the importance of including PEG Access resources in new or renegotiated franchises. Keep in mind that Hawaiian Telcom's franchise will likely be for ten or more years, so the decisions made now will have far-reaching effects. Additionally, Oceanic Time Warner's franchise will need to be renewed prior to December 2009. Just as Hawaiian Telcom's franchise obligations should be comparable to Oceanic's current obligations, Hawaiian Telcom's franchise could create a framework for Oceanic's possible renewal with respect to the makeup and quality of resources available to the public for years to come.

Community Benefits

The current franchise between Oceanic and the State includes provisions that benefit the community by supporting PEG Access. We realize that new cable providers face start-up challenges as they enter a mature market; however we believe each cable franchise holder on O'ahu should provide PEG support of comparable value. Oceanic's support is listed below for comparison. Hawaiian Telcom should, at a minimum, match what is required of Oceanic including:

- A portion of gross revenues to support PEG operations. Oceanic provides PEG operating funds equal to 3 percent of its gross revenues as defined by the DCCA.
- Capital (Equipment and Facilities) support. These are additional funds that are used to fund equipment acquisition or upgrades of PEG facilities. Oceanic currently provides \$3 per subscriber per year.
- Live Origination Points. These allow remote origination of live PEG programming at a variety of locations on the island. Oceanic has provided 16 live origination points from which PEG programming can be originated. They include the State Capitol, Honolulu Hale, Leeward and Windward Community Colleges, and other locations. We recommend that Hawaiian Telcom provide additional live origination points in order to expand the diversity of locations from which the PEG Access provider can deliver live programs.
- Channel capacity – Oceanic provides six analog and six digital channels on its system that support Public, Educational and Governmental (PEG) programming. While the number of PEG channels is important, the bandwidth that those channels occupy is even more important. About 9 to 12 digital channels can be provided within the bandwidth of one analog channel. Eventually, when digital channels replace analog service, the bandwidth now used for the six analog community access channels could accommodate 54 to 72 digital channels. This capacity could support not only PEG programming but other services for 'Ōlelo's clients and viewers,

such as video on demand (VOD), interactive applications and much more as technology advances. Since Hawaiian Telcom's system will be digital, they should provide the equivalent bandwidth for six analog channels, with the option for more as programming increases. We want to ensure the community can reap the full benefit of future technological advances, to include all of the privileges and possibilities of community communications. It is likely that Hawaiian Telcom's franchise will be for ten or more years, and technology will advance and programming/content delivery options will continue to change. Because of this, the franchise needs to be adaptive/flexible enough to benefit the changing needs of the community. Such flexibility would include providing:

- The same bandwidth for PEG channels (currently equivalent to 6.5 analog channels) that Oceanic provides.
- Consecutive numbering of those channels and placement adjacent to local broadcast channels and PBS Hawaii.
- A commitment to providing added digital services from inception, since no analog channels are provided, and bandwidth allows for future expansion of PEG Access services without additional cost.
- Flexibility to address rapidly changing technology.

What You Can Do to Ensure Community Benefits

Provide testimony.

- Discuss your future needs and expectations for any new cable television/video provider.
- Tell the DCCA how PEG Access services have benefited you and your community.
- Relate them to the community benefits listed above.

It is important that both the DCCA and Hawaiian Telcom Services have a clear understanding of the breadth and benefits of PEG Access from your perspective. This insight can only come from the diverse voices of those who use PEG facilities and equipment and those who view PEG channels. You can testify in two ways:

- Testify in person at the public hearing on Wednesday, July 19, 2006 at 4:00 pm. The meeting will be held at the DCCA's Liliuokalani Conference Room located on the first floor of the King Kalakaua Building at 335 Merchant Street. You can find more information at http://www.hawaii.gov/dcca/areas/catv/cable_operators/hawaiian_telcom/. Click on "Notice of Public Hearing In Re Application of Hawaiian Telcom Services Co, Inc. for a Cable Franchise."
- Provide written testimony by Friday, July 21, at 4:30 pm. You may submit testimony by:
 - Email to cabletv@dcca.hawaii.gov
 - Fax at (808) 586-2625 or
 - U.S. Mail at: Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809
 - Please send 'Ōlelo a copy of your testimony for our records.

With your help, we can convey the value of PEG Access to the DCCA and Hawaiian Telcom, and ensure those benefits for the future.

98-434 Hoomailani Street
Pearl City 96782
July 18, 2006

Ms. Kealii Lopez, CEO

Mr. Jerry Silva, COO

Olelo Community Television
1122 Mapunapuna Street
Honolulu 96819

Dear Ms. Lopez and Mr. Silva:

We have been advised by media publicity and an update from your offices that the DCCA will meet this Wednesday, July 19th, to discuss an application from Hawaiian Telephone to enter the public TV access field.

Due to other commitments and our flagging energies, we are unable to attend the meeting. But we do want to express our continuing gratitude for being a part of the Olelo system, whereby for the past year or so we have undergone several training sessions and have learned to be certified camerapeople, editors and producers. We could not have predicted at the outset that we could produce documentaries that address our area of concern with international geopolitics and have those documentaries aired regularly on two (49 and 54) of Olelo's public channels!

We are far from experts in the communications field. But we can and do opine without reservation that Olelo right now is "a system that does not need fixing." We fear that any pressure on or diminution of the capability of Olelo to provide PEG access to its clients and customers (the viewing public) might result in a dilution, and regression, in the service it provides. Accordingly, we strongly favor *status quo*, always of course with appropriate oversight by state regulatory authorities and with the interaction with and feedback from its clients that make Olelo the special organization it is.

Again, our work with your ever-capable staff, from the receptionist to client counselors to the Media Center to your Traffic Department, could absolutely not be more productive or satisfying. Thank you very much!

Mahalo nui loa, with much aloha and best wishes for Olelo's measured growth and success under your stewardship,

Robert H. Stiver

Ramsis G. Lutfy, Ph.D.



"Em Trinh" <amituof1818@gmail.com> on 07/19/2006 09:17:25 AM

To: cabletv@dcca.hawaii.gov
cc:

Subject: Letter for Tonight's Hearing

Here is the letter that you requested that speaks of Olelo's importance in the community.



- Olelo Letter.doc

65

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

July 19, 2006

From: Em Trinh
522 Kuaaina Way
Kailua, HI 96734
Tel: (808) 262-5279

2006 JUL 19 P 2: 21

A E P / S

RE: Against Hawaii Cable Franchise of Hawaiian Telcom

FILE _____

To Whom It May Concern:

I am concerned with Oceanic Cable losing its current position as the cable company of Hawaii residents. Oceanic Cable is more than just another business trying to succeed in Hawaii. It is a company that strives to give back to the local community and bring enrichment to the people of Hawaii. They are the strong supporters of the nonprofit Olelo program, which has allowed many groups and organizations of Hawaii to publicize their doings in the community and realize many of their goals.

The channels of Olelo have broadcasted a variety of programs created by my community members that range from college-level course lectures to available job opportunities. Should Oceanic Cable lose its status as the primary provider of cable television to Hawaii residents, then many organizations, including the one I serve as a volunteer at, will lose this valuable means of communication as Oceanic Cable would not be able to fund Olelo as successfully as it has been doing for years now. Many groups rely on this public service that Oceanic Cable provides because otherwise, they would not have the access to such resources nor the help of those involved with the Olelo program that allow many of these organizations to broadcast footage on air. Not only do these groups have a chance to show the community what they do and catch the interests of local viewers, much of the material that is aired on Olelo channels can be classified as educational and contribute to the community.

My organization, Amitabha Educational Center, is a nonprofit Buddhist organization that aims to propagate the teachings of Amitufo Buddha of "What Goes Around Comes Around." We do so by airing lectures and programs that focus on how to lead a positive lifestyle through good works. Television broadcast on the channels of Olelo helps me achieve Amitabha Educational Center's mission statement of propagating Buddhist teachings. Many viewers have contacted my organization asking for more information about Buddhism. I then send them free learning materials, and sometimes, these individuals get their friends interested and my organization thus reaches out to more community members. Without the existence of Olelo and its cheerful, ready to help personnel, how would Amitabha Educational Center be able to achieve this much success?

I am only one individual from one local organization who has been assisted by the Olelo program. There are so many others out there who have benefited from Olelo, whether realizing a group's objectives to bring enrichment to the community, or by watching a worthwhile program that has caught the viewer's interest or brought a new outlook to his/her life. Oceanic Cable, the greatest supporter of the Olelo program, should be able to continue being so and not have to face the competition of Hawaiian Telcom that could force the Olelo program to be cut and thus bring a loss to so many local people of Hawaii. I am so grateful to Olelo and what it has done for Amitabha Educational Center for many years now, and so I write this to plead for your understanding of how vital Olelo is to Hawaii.

Sincerely,

Em Trinh



"shar summer" <shar@mejico.com> on 07/19/2006 01:43:18 PM

56

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

2006 JUL 19 P 2: 24

Subject: I love Olelo

A E P S

Dear Cable TV Division, Dept of Commerce and Consumer Affairs.
I have used the services of Olelo TV Company for 1 year and it is amazing to
be able to make films this way for Public Access. Please do everything
possible to insure that is fabulous service continues.

FILE

Sincerely,
Sharran Langford
TV Producer at Olelo TV

--

<http://mail.mexico.com>
;Disponible Ya! Utiliza el Outlook y Outlook Express para bajar tus correos
por solo US\$24.95 al año

Now available! Download your mail into your computer with Outlook and Outlook
Express US\$24.95/yr



"Thomas J Berger" <berger.thomasj@gmail.com> on 07/19/2006 02:20:41 PM

To: info@olelo.org, srodrigues@olelo.org, cabletv@dcca.hawaii.gov
cc:

Subject: Written Testimony for DCCA hearing on Hawaiian Telecom

Attached is written testimony from Rep. Maile Shimabukuro (Waianae, Makaha, Makua) for the DCCA hearing on granting Hawaiian Telecom a long term cable franchise.

If you have any questions please let me know,

-Thomas Berger

Legislative Aide, Rep. Maile Shimabukuro (Waianae, Makaha, Makua)

ph. 586-8460

--

Thomas Berger

J.D. Candidate, Washington College of Law

ph. (808) 387-5050



- testimony_draft[2].doc



CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

51

HOUSE OF REPRESENTATIVES

STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

2006 JUL 19 P 2: 21

A / E P / S

FILE _____

07/17/2006

To: DCCA

From: Rep. Maile Shimabukuro

Re: Testimony for 7/19/06 Public Hearing on Hawaiian Telecom & PEG Access

This testimony is to express my support for public, educational, and government (PEG) cable television channels on local cable television broadcasts. Currently, 'Olelo has a very strong and positive presence in the Wai'anae community and it would be a tragedy to lose them. Thus, it is important that any future cable television provider include similar programming.

'Olelo's goal is to ensure the community has the ability to utilize and take full advantage of current and future technological advances to provide the privileges and possibilities of community communications. I believe each cable television franchise holder on O'ahu should provide PEG support of comparable value. It is my understanding that Hawaiian Telecom is prepared to provide comparable PEG access support. Therefore, Hawaiian Telecom should, at a minimum, match what is required of Oceanic, including:

-- A portion of gross revenues to support PEG operations. Oceanic provides PEG operating funds equal to 3 percent of its gross revenues.

-- Capital (Equipment and Facilities) support. These are additional funds that are used to fund equipment acquisition or upgrades of PEG facilities. Oceanic currently provides \$3 per subscriber per year.

-- Live Origination Points. These allow remote origination of live PEG programming at a variety of locations on the island. Currently, not all Community Media Centers are able to originate live programs from their centers, this should be made part of a Franchise agreement with Hawaiian Telcom.

-- Channel capacity. The equivalent bandwidth for our current six analog and six digital channels, with the option for more as programming increases.

Representative Maile S.L. Shimabukuro, District 45

(Wai'anae~Mākaha~Mākua)

Vice Chair, Committee on Higher Education

Member, Committees on Education, Transportation, Labor/Public Employment & Public Safety/Military Affairs

Hawaii State Capitol, Room 315, Honolulu, Hawaii 96813

Phone: (808) 586-8460/Fax: (808) 586-8464/E-mail: repshimabukuro@capitol.hawaii.gov



KEBOI@aol.com on 07/19/2006 10:42:32 AM

58

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc: srodrigues@olelo.org, gmiranda@olelo.org

2006 JUL 19 P 2: 21

Subject: Cable Franchise comments

A/E P/S
FILE

To DCCA Cable Division

I am writing to comment on the application by Hawaiian Telcom for the cable franchise on O'ahu.

I am concerned that PEG Access is preserved or improved regardless of the cable provider.

PEG Access has been a vital public media resource to our community. As media ownership and control are concentrated in fewer and fewer hands, democratic media outlets are a necessary condition for a democratic society.

'Olelo has been an essential media resource for training and providing a media outlet for our communities, many of whom are rendered invisible and silenced by corporate media.

Because cable utilizes public infrastructure to provide their commercial services, the fees charged to cable carriers to fund PEG Access is fair.

Hawaiian Telcom should, at a MINIMUM match what is required of Oceanic, including:

A portion of gross revenues to support PEG operations. Oceanic provides PEG operating funds equal to 3 percent of its gross revenues.

Capital (Equipment and Facilities) support. These are additional funds that are used to fund equipment acquisition or upgrades of PEG facilities. Oceanic currently provides \$3 per subscriber per year.

Live Origination Points. These allow remote origination of live PEG programming at a variety of locations on the island. Not all Community Media Centers are able to originate live programs from their centers, but we would hope to make this possible through a Franchise agreement with Hawaiian Telcom.

Channel capacity. The equivalent bandwidth for our current six analog and six digital channels, with the option for more as programming increases.

I watch cable television and appreciate the diversity and quality of programming on PEG Access. I have also been a user of PEG Access to disseminate important news and information to the public. Please preserve this important resource.

Thank you very much.

Sincerely

Kyle Kajihiro
808-988-6266



59

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: Hawaiian Telcom

2006 JUL 20 A 8:44

A E P S

FILE _____

Aloha ...

As a condition for acceptance to become a provider of cable television services, Hawaiian Telcom must also be made aware that it has an obligation to provide PEGAccessresources to match or better the benefits currently offered to the various On-Island communities by another cable television service provider.

As a member of the Waimanalo Hawaiian Homestead Association (WHHA), I am a beneficiary of the funding provided by the incumbent cable television provider for operational & equipment use. Through the Olelo organization, which promotes cablecasting programs aimed at developing and preserving the diversity of cultural thought, Waimanalo homesteaders, like myself, received community television training in support of Olelo's mission. We attended an Olelo conducted video producer workshop with class guidelines to produce, direct, and complete a cablecast program. Video equipment training for "on-hands" camera "shoots", Mac computers, and video storage devices were also provided. With this training, the Papakolea and Waimanalo Homestead summer school Na Ho'ike programs and American Cancer Society "Relay for Life" program held in Waimanalo were captured for Cablecast program development.

It's important the PEGAccessfunding continue, not only to solidify current Cablecast programming at existing Oahulocales, but also grow for the placement of additional "Live Origination Sites" within other communities to promote the delivery of live and diverse programming.

Mahalo,
Heidi Ramseyer
BOD - Waimanalo Hawaiian Homes Association



Horace Reisner <pjack3@hawaii.rr.com> on 07/20/2006 06:46:45 AM

60

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

2006 JUL 20 A 8:44

Subject: Hawaiian Telcom Application for Cable TV

A / E P / S /

Hawaiian Telcom's cable application should be refused until they can prove they can serve the public in an efficient, appropriate manner. Since they have taken over telephone services from Verizon, there have been thousands of people inconvenienced by their service by Hawaiian Telcom. Specifically, billing procedures are in complete disarray. By their own public admission, they have failed to solve their computer problems and serve their customers. Horace J. Reisner, 2101 Nuuanu Ave. Apt 1505, Honolulu, Hawaii



(61)

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: <cabletv@dcca.hawaii.gov>
cc: <sammakua@hawaiiantel.net>

Subject: Hawaiian Telcom Application Acceptance for Cable Franchise - Testimony

2006 JUL 20 A 8:44

A E P S
FILE

Aloha ...

As a condition for acceptance to become a provider of cable television services, Hawaiian Telcom must also be made aware that it has an obligation to provide PEGAccessresources to match or better the benefits currently offered to the various On-Island communities by another cable television service provider.

As a member of the Waimanalo Hawaiian Homestead Association (WHHA), I am a beneficiary of the funding provided by the incumbent cable television provider for operational & equipment use. Through the Olelo organization, which promotes cablecasting programs aimed at developing and preserving the diversity of cultural thought, Waimanalo homesteaders, like myself, received community television training in support of Olelo's mission. We attended an Olelo conducted video producer workshop with class guidelines to produce, direct, and complete a cablecast program. Video equipment training for "on-hands" camera "shoots", Mac computers, and video storage devices were also provided. With this training, the Papakolea and Waimanalo Homestead summer school Na Ho'ike programs and American Cancer Society "Relay for Life" program held in Waimanalo were captured for Cablecast program development.

It's important the PEGAccessfunding continue, not only to solidify current Cablecast programming at existing Oahu locales, but also grow for the placement of additional "Live Origination Sites" within other communities to promote the delivery of live and diverse programming.

Mahalo,

SamuelA.Makua

Waimanalo Homesteader



62

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: CableTV@DCCA.hawaii.gov
cc: jkim@olelo.org

Subject: RE: Support of pegasus

2006 JUL 21 A 7 38

A - E - P / S

The pegasus service has been of great benefit to our community and particularly to those religious organizations which have been able to broadcast spiritual messages to a much broader audience than can be reached through church services alone. I am writing in support of pegasus on behalf of the First Church of Christ, Scientist. Each week Olelo broadcasts our Bible Lesson on Channel 52 and it enables those who cannot attend the church service to receive a message of hope and inspiration which helps lift their spirits and "keep them going". To provide this service has been a tremendous blessing to the many who look forward to it each Saturday morning, and we hope that you will look favorably on making the service on a wider basis.

Sincerely,
Mark R. Arnold
Communications Chair
First Church of Christ Scientist

FILE



63

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

2006 JUL 21 A 7 38

Subject: Hawaiian Telcom Application Acceptance for Cable Franchise - Testimony

A - E - P / S

Aloha ...

FILE _____

As a condition for acceptance to become a provider of cable television services, Hawaiian Telcom must also be made aware that it has an obligation to provide PEG Access resources to match or better the benefits currently offered to the various On-Island communities by another cable television service provider.

As a member of the Waimanalo Hawaiian Homestead Association (WHHA), I am a beneficiary of the funding provided by the incumbent cable television provider for operational & equipment use. Through the Olelo organization, which promotes cablecasting programs aimed at developing and preserving the diversity of cultural thought, Waimanalo homesteaders, like myself, received community television training in support of Olelo's mission. We attended an Olelo conducted video producer workshop with class guidelines to produce, direct, and complete a cablecast program. Video equipment training for "on-hands" camera "shoots", Mac computers, and video storage devices were also provided. With this training, the Papakolea and Waimanalo Homestead summer school Na Ho'ike programs and American Cancer Society "Relay for Life" program held in Waimanalo were captured for Cablecast program development.

It's important the PEG Access funding continue, not only to solidify current Cablecast programming at existing Oahu locales, but also grow for the placement of additional "Live Origination Sites" within other communities to promote the delivery of live and diverse programming.

Mahalo,
Samuel L. Makua
Waimanalo Homesteader

KOFAX
DEMO MODE



Raymond Keliifani Makua <rmakua@hawaii.edu> on 07/20/2006 08:09:49 PM

104

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

2006 JUL 21 A 7 38

Subject: Hawaiian Telcom Application Acceptance for Cable Franchise - Testimony

A E P S
FILE

Aloha ...

As a condition for acceptance to become a provider of cable television services, Hawaiian Telcom must also be made aware that it has an obligation to provide PEG Access resources to match or better the benefits currently offered to the various On-Island communities by another cable television service provider.

I am a beneficiary of the funding provided by the incumbent cable television provider for operational & equipment use. Through the Olelo organization, which promotes cablecasting programs aimed at developing and preserving the diversity of cultural thought, Waimanalo homesteaders, like myself, received community television training in support of Olelo's mission. We attended an Olelo conducted video producer workshop with class guidelines to produce, direct, and complete a cablecast program. Video equipment training for "on-hands" camera "shoots", Mac computers, and video storage devices were also provided. With this training, the Papakolea and Waimanalo Homestead summer school Na Ho'ike programs and American Cancer Society "Relay for Life" program held in Waimanalo were captured for Cablecast program development.

It's important the PEG Access funding continue, not only to solidify current Cablecast programming at existing Oahu locales, but also grow for the placement of additional "Live Origination Sites" within other communities to promote the delivery of live and diverse programming.

Mahalo,
Kelii Makua

Waimanalo Homesteader



Dennis Callan <callan@hawaii.rr.com> on 07/21/2006 06:44:19 AM

65

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabledtv@dcca.hawaii.gov, info@olelo.org
cc:

Subject: Cable TV franchise for Hawaiian Telcom

2006 JUL 21 A 7:38

A/E P/S
FILE

**Hawaii Geographic Society,
Dennis Callan, President
1011 Prospect St., #702, Honolulu, HI 96822**

phone 808-528-4411

e-mail: callan@hawaii.rr.com

Public Testimony to the DCCA, State of Hawaii

July 21, 2006

Regarding Hawaiian Telcom Cable TV Franchise request

Submitted by Dennis Callan

I am president of Hawaii Geographic Society and the senior producer at 'Olelo, volunteering to create television programming for the past 17 years, starting in the days of "public access" before 'Olelo existed. My program, "World Traveler" has been broadcast every week for all of those years, winning an award six years ago as 'Olelo's longest-running program and still going strong. During this time I have created about 200 hours of programming, doing all the photography, editing, writing and postproduction. I have been an active participant in the operations there including attending many of the volunteer forums and serving as an early member of the CTPA, an advocacy group for 'Olelo's army of volunteer producers. As a result I have seen how important Community Access is to my organization and to our community in general.

Hawaii Geographic Society has gotten over 11,000 phone calls from the viewing public during the 17 years we have been on television. This has been crucial to the survival of our organization. I can definitely say we would not exist if it were not for Community Programming exposure.

It is absolutely crucial that if you decide to grant Hawaiian Telcom a cable TV franchise that you impose the exact same requirements for Community Programming that you currently have in place for the existing cable providers. If you do not do this, it could very well lead to the end of Community Programming in Hawaii, which would be a great loss to the people of our state.

If this set of requirements is not mandated, Oceanic would have a very strong grounds to object and ultimately remove their access requirements, which would eliminate public access altogether. If Hawaiian Telcom is not given these same support requirements as currently exist with Oceanic, it would be truly unfair to Oceanic and a direct violation of equal treatment. Please keep the existing system in place and apply it to any and all providers of cable TV in Hawaii.

Thank you for this consideration.

Best regards,

Dennis Callan

--

Dennis Callan

Callan's Tours callan@hawaii.rr.com <http://www.toursbytrain.com>
808-528-4411



Clinton Terrell <cterrell001@yahoo.com> on 07/21/2006 08:04:29 AM

66

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc: Neal Rivera Olelo <nrivera@olelo.org>

Subject: Re: Testimony for Olelo

2006 JUL 21 A 7:39

A - E - P / S

FILE

Don't know what happened but here it is again, and thank you for letting me know that you did not receive it, because I do want you to have and register this testimony.

Clinton

cabletv@dcca.hawaii.gov wrote:

Dear Mr. Terrell,

Thank you for your email re testimony for 'Olelo re the Hawaiian Telcom cable franchise application. You mention that a letter was attached to your email, however, we were unable to locate it. Could you please resend it to us so that we may add it to the rest of the comments that we received.

Thank you,
Patti Kodama

To: cabletv@dcca.hawaii.gov
cc: Kanani Kihara <j_kihara@hawaiiantel.net>

Subject: Testimony for Olelo

Here is copy of my letter

Clinton

Clinton Terrell
Executive Director

Breakthroughs
"Helping Youth Discover Their Full Potential"
46-022 Alaloa St, Suite 216
Kaneohe, HI 96744

Ph: 808-2474375 Fx: 808-2474631
new email: breakthroughs@verizon.net
website: www.breakthroughshawaii.org

Do You Yahoo!?
Tired of spam? Yahoo! Mail has the best spam protection around
<http://mail.yahoo.com>

Clinton Terrell
Executive Director

Breakthroughs

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Ph: 808-2474375 Fx: 808-2474631
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website: www.breakthroughshawaii.org

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- Letter for Olelo to DCCA July 19th, 2006.pdf

July 19th, 2006

To: Department of Commerce and Consumer Affairs

From Clinton Terrell

Re: Testimony: Support for PEG Access

I am an executive director of a not for profit organization that has served at risk youth in Hawaii since its inception in 1994. We work with the youth few want to, and are able to work effectively with, and with their parents, and the various systems in which these youth become entangled, including juvenile justice, youth corrections, and also with DOE, keeping them in school, or getting them back into school, and supporting them in graduating, actually instilling inside of them a positive sense of self, a vision for their life and goals to achieve.

I have been inside of Olelo's production studio and seen the young people, the variety of people, who actively create and produce shows and events because Olelo makes it possible for persons without means to learn the skills and then utilize their equipment and production facilities to produce top quality finished products that are then aired on Olelo TV stations. Hollywood is right in people's backyard, available and accessible.

In March 2004 Olelo trained adults from the community who cared about the Keiki in our community who are in need, came and video taped our intensive adolescent development program for free. We have wanted to video tape our program because we use tapes to enroll youth and parents into our programs, in order to effectively promote and fundraise for our programs, and to train adult volunteers in the skills of coaching and mentoring youth. Without Olelo's commitment to the community, community organizations and Programs, many things would not be possible.

In May, we wrote a grant to the Mayor's Anti Drug Force and are in the process of taking 15 young people through the process of creating and producing their own PSA's on the effects of alcohol, tobacco, and other drugs in their lives, in their families, and amongst their friends and peers. In the process the young people are learning self expression and discovering their creativity, filming skills, production skills, editing skills, and other marketable skills, as well as working together to produce something that when aired may make a difference in whether another young person or and adult uses or abuses alcohol, tobacco, or other drugs. Such an incredible opportunity would otherwise not be available were it not for Olelo and its commitment to the community. We also recruited and trained, and Oleo trained all of us adults who committed to supporting these young people, and we are learning the same skills and technology that the young people are learning. Because of the creative power in this endeavor we will take a second group of young people through the same program as soon as we finish with this first group. And now, in conjunction with our generic intensive adolescent development program, where young people deal with their attitudes, beliefs, behaviors, and results in their lives, we plan to continue the much needed creative outlet that Olelo offers.

In the fall 2006 we plan to take the training we received from Olelo and use it to video our complete intensive course, and aftercare, and edit the material for the three purposes mentioned above. In the end we will have DVDs that we can use to further the mission of our organization, and serve more young people.

If the DCCA accepts another Cable Television/video services provider, it is imperative that the State continues to require provisions for PEG Access support. At a minimum, the selected provider should continue to provide what Oceanic currently provides. If the "voice" of the community (Olelo) becomes insignificant in the eyes of the DCCA, where will we be able to go? Please continue to support PEG Access for the State of Hawaii.

Mahalo,

Clinton Terrell



Breakthroughs

Helping Youth
Discover Their Full Potential

Board of Directors

President

Sharon Lester

Vice President

Jan Yokota

Treasurer

Russell Kaupu

Secretary

Melissa Zen

Larry Biggs

Stanford Carr

Nick Kaars

Kanani Kihara

William Kostron

Joan Villanueva

Jennifer Waihee

Board of Advisors

Lt Gov James Aiona, Jr

Bernard Chan

Keith Chang

Senator Suzanne Chun Oakland

Mark Desmarais

Linda Fulgenzi

Louise Funai



"Don McCuiston" <don@mccuiston.net> on 07/21/2006 10:41:18 AM

67

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: Comments for Hawaiian Telcom IPTV

2006 JUL 21 A 10: 36

Please see the attached PDF document for my comments.

A/E P/S
FILE

 - Hawaiian Telcom IPTV Comments.pdf

Don McCuiston
1050 Bishop Street
Suite 400
Honolulu, Hawaii 96813-4210

Cable Television Division
Department of Commerce and Consumer Affairs
Post Office Box 541
Honolulu, Hawaii 96809-0541

July 21, 2006

To Whom It May Concern:

I believe the State of Hawaii should only allow Hawaiian Telcom to provide IPTV service with the following conditions. Hawaiian Telcom must provide high-speed DSL service to consumers without the requirement of telephone service. In addition, Hawaiian Telcom must carry and financially support 'Olelo Community Television.

Prior to the sale of Verizon Hawaii, Verizon Communications offered dry-loop DSL to their mainland customers, but not to their Hawaii customers. Oceanic Time Warner has been offering various high-speed Internet access packages without consumers having to purchase cable television service. I currently subscribe to the standalone AOL High-Speed powered by Road Runner Lite for only \$25.90. If Hawaiian Telcom is allowed to offer IPTV service, price regulated naked DSL must be a condition for consumer choice.

Thank you,
Don McCuiston



68

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: "cabletv" <cabletv@dcca.hawaii.gov>
cc:

2006 JUL 21 A 7:39

A/E P/S
FILE



Testimony -why it should remain with Olelo

as been providing services for over ten years and has grown from one main center at Mapunapuna to several satellite community centers throughout the island of Oahu. It has opened doors where clients can remain in their own community and learn to create their own programs, voicing their viewpoints and getting the word out that may affect everyone. There are groups focused on certain aspects related to government, health, education, travel, taxes, and issues that concerns them.

Olelo's training program provides avenues for those who have not touched equipment before to become successful technicians, producers, directors, editors, etc. The program offers various hours and days in meeting people's needs from the retired to those working during the day or night. Their equipment/software is maintained and revised when new versions are implemented. Classes are provided for clients to learn the new versions by knowledgeable staff. The staff is very efficient and very helpful by taking the clients by the hand by guiding them through the production process.

Their Youth Xchange has been highly successful from elementary to high schools in affording the children the opportunity to share what they've learned and showcase their talent with their peers. The outreach programs, such as Giving Aloha, Capitol Commentary, facilitated productions for those who want their voice heard who can ask Olelo for crew to shoot their event at a location outside Olelo's studio, and other productions has opened the doors in reaching a greater population as the organization expands its services.

There are a variety of channels aired on Olelo that are able to reach elementary children to the elderly, airing various culture shows, such as Hawaiians, Samoans, Koreans to sports to cooking shows to talk shows to neighborhood boards to City and State meetings dealing with relevant issues.

The organization has a vision to reach out to provide services to many people as possible and has opened its doors to teach anyone who walks in the door, that is considered unique and the only organization that is non profit in providing these services. Will another organization be able to provide the same type of services as Olelo? Hawaiian Telcom is new to this island, I am not sure they will be able to reach the grassroots and provide the top notch services provided by Olelo.

Sincerely,

Bonnie Murakami

Olelo Client

69

State Capitol, Room 216
Honolulu, Hawaii 96813

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

**Senator Carol
Fukunaga**



2006 JUL 21 P 3:15

A/E P/S
FILE

Fax

To: Mr. Mark Recktenwald, Director

From: Senator Carol Fukunaga

DCCA – Cable Television Division

Fax: 586-2625

Pages: 3 (with Cover Sheet)

Phone:

Date: July 21, 2006

Re: Testimony for Hawaiian Telcom Services **CC:**

Company, Inc. Hearing

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

• Comments:

Dear Mr. Recktenwald,

Attached is a letter from both myself and Senator David Ige Re: Hawaiian Telcom Services Company, Inc. Cable Franchise Application/Hearing. Please call our office if you have any questions/concerns.



**The Senate
State of Hawaii**

STATE CAPITOL
HONOLULU, HAWAII 96813

July 21, 2006

**Mr. Mark Recktenwald
Director, Department of Commerce and Consumer Affairs
335 Merchant Street
Honolulu, HI 96813**

Re: Hawaiian Telcom Services Company, Inc. Cable Franchise Application

Dear Mr. Recktenwald:

As you know, Hawaiian Telcom Services Company, Inc. is currently seeking to expand its telecommunications services in Hawaii by applying to become a cable television service provider. In response to the DCCA's request for more information regarding public, education, and government (PEG) access and its institutional network infrastructure, while Hawaiian Telcom has agreed to support PEG access, it does not promise to do the same for the institutional network (INET) infrastructure. Hawaiian Telcom asserts that it should not be held to the same requirements that the incumbent cable service provider currently follows under state law (chapter 440G, Hawaii Revised Statutes). We strongly believe that it is imperative that Hawaiian Telcom provide the same substantive institutional network support as the incumbent cable provider does as part of its franchise obligations.

Currently, the incumbent cable service provider supports an INET infrastructure that is used by the State of Hawaii, Department of Education, University of Hawaii System. The INET infrastructure enables the University of Hawaii and DOE, for example, to support distance learning, videoconferencing, library and internet access, and connection to enterprise databases and information systems, but most importantly, it serves as a critical link between all educational campuses throughout the state. Department of Accounting and General Services uses the INET infrastructure for a broad range of critical government service functions, including civil defense and homeland security communications.

The State legislature relies upon INET for public access/legislative broadcasts, just as county legislative bodies broadcast public meetings, hearings and neighborhood board/local community access broadcasts over their respective PEG access channels. The availability, and ongoing upgrades/enhancements to the INET have consistently been a key part of the State of Hawaii's telecommunications infrastructure ever since our adoption of Act 225, SLH 1995. We did not make any changes to the statewide cable franchising regulation (DCCA) at that time, partly due to the range of infrastructure/channel capacity enhancements that were already being provided through the state's cable franchising process.

Hawaiian Telcom, however, believes that imposing the same INET requirements upon them would be unfair and impose an unreasonable barrier to enter the cable television market. Hawaiian Telcom plans to use a different technology and delivery mechanism that will provide all-digital video services that will not be compatible with the analog delivery mechanism that most cable subscribers currently use. The company argues that because an INET infrastructure is already in place, it would be redundant and economically unfeasible to provide the same services. Furthermore, Hawaiian Telcom argues that its new technology would not be creating any additional burdens or impositions on public rights-of-way.

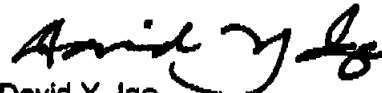
We disagree with Hawaiian Telcom's reasons for not providing the same level of institutional network support. Although Hawaii's telecommunications industry was deregulated in 1995, public benefits have always been an important part of Hawaii's overall telephony and cable regulatory framework. We therefore believe that any newcomer applying for a cable television franchise in Hawaii is required to provide the same level of institutional network support and infrastructure as previous cable service providers are required to provide. We strongly urge you to ensure that Hawaiian Telcom be required to provide institutional network capability as part of its franchise requirements.

Please feel free to contact us if you have any questions. Thank you for your attention on this matter.

Sincerely,



Carol Fukunaga
Chair, Senate Committee on Media, Arts,
Science, and Technology



David Y. Ige
Chair, Senate Committee on
Intergovernmental Affairs



"olelo account" <olelo@olelo.org> on 07/21/2006 04:44:31 PM

70

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: <cabletv@dcca.hawaii.gov>
cc: "Kealii Lopez" <klopez@olelo.org>

Subject: Hawaiian Telcom Testimony

2006 JUL 24 A 7:49

A/E P/S



- Olelo Hawn Telcom Testimony 072106.pdf

FILE

**‘Ōlelo Community Television’s
Testimony to the
Department of Commerce and Consumer Affairs
Re: Hawaiian Telcom Services Company, Inc.
Application for New Cable Television Franchise**

July 21, 2006

On behalf of ‘Ōlelo Community Television, I am pleased to submit the following testimony in support of Hawaiian Telcom Services Company, Inc.’s Application for a New Cable Television Franchise. ‘Ōlelo’s goal with respect to Hawaiian Telcom’s franchise request is to ensure that subscribers to that system, and those who produce community programming, receive services that are comparable to those provided by Oceanic Cable.

As O’ahu’s PEG Access provider, ‘Ōlelo serves cable subscribers by providing them with a view of what is happening in their community, extensive educational programming, and insight into their state and local governments. ‘Ōlelo accomplishes this by providing all of O’ahu’s residents the opportunity to produce, present and view programming relevant to their communities via cable television.

During the preparation of this testimony we focused on parity between the community resources provided by the current cable operator, Oceanic Time Warner Cable, those requested of the applicant, Hawaiian Telcom, as well as the changing and expanding needs of the community. We believe that the considerations raised in this document should also be applied to others who might seek cable franchises in the future. While parity in the short term is relatively simple, long-term parity is considerably more complex because of the rapidly changing technological landscape. However, it is important to set parameters so that cable operators—both present and potential—as well

as the community, can work within a relatively stable (albeit changing) resource environment.

When the Oceanic franchise was developed, it provided a well-thought-out package of community benefits that was based on the technology available and the community needs at that time. Soon that franchise will be renegotiated, and we would hope that community benefits will be reassessed based on both evolving societal and accelerating technological changes. The continuing expansion of community access throughout O`ahu and the increase in community programming and PEG access channels clearly demonstrates the growing interest and need to ensure adequate resources and funding for community access.

With this in mind we ask that the Hawaiian Telecom franchise be based on a similar concern for the community, both now and for the duration of the franchise. That involves acknowledging the rapid changes in technology—current and future—and providing sufficient flexibility so that the value of current benefits is maintained and does not diminish over time.

During the July 20, 2006 public hearing, suggestions were offered that could benefit the community. For example, there is the possibility for expanded programming to showcase the variety of cultures on O`ahu. We believe that there is the potential to create programming that is of interest to specific communities, such as Wai`anae, Waipahu or Pālolo. On-demand programming can do this, and it can do it now. For example, two O`ahu based non-profit organizations, HMSA and Humane Society are each served by Video On Demand channels on the Oceanic cable system. PEG Access could also offer such capability—given adequate bandwidth and capital support—to many more non-

profit organizations, community groups, educational institutions and government agencies.

In that context we believe that the DCCA should structure the Hawaiian Telcom community benefits package so that it provides parity both in the short and long term, as well as flexibility for the future. While I have outlined the need for parity in broad strokes, the details also need to be addressed. The following comments address those considerations.

Operational and Capital Funding

- 'Ōlelo receives much of its operating funding through cable franchise fees required of Oceanic Cable that are then passed through to cable subscribers. Three percent of Oceanic's gross revenues, as defined by the DCCA, go toward covering 'Ōlelo's operating expenses. In order to ensure parity and prevent PEG funding from decreasing as some Oceanic customers migrate to the new provider, we ask that Hawaiian Telcom be required, at minimum, to provide the same three percent of gross revenues and three dollars per IPTV subscriber. We request that the DCCA include the ability to increase the percentage of gross revenue and capital funds, if justified, to ensure community needs can continue to be served even if the cable market on O'ahu becomes saturated and plateaus.

Additionally, these revenues should not be capped. It is foreseeable, and probably inevitable, that the increased competition between Oceanic and Hawaiian Telcom will lead to a reduction in prices. That is good for the community, but it may have an impact on our ability to serve that community. Given that Oceanic now serves over ninety percent of O'ahu households, it is unlikely that the introduction of video

service by Hawaiian Telcom will significantly increase the combined cable market. Moreover, there is little chance that an increase in the total number of customers will offset a reduction in combined gross revenues based upon lower prices. Ensuring that PEG funding is not capped will allow community access greater flexibility in the near term. It will also permit 'Ōlelo to offer services that match the changing needs of our clients and our community in the long term.

- Capital funds are also important. Oceanic provided an additional three dollars per subscriber annually toward our capital fund. Given the constant changes in equipment and facility needs, we believe that is appropriate for Hawaiian Telcom, at minimum, to match Oceanic's capital fund structure and have flexibility to address potential increases in capital needs.

Channels and Services

- In the public interest, Hawaiian Telcom should provide their subscribers and those who communicate on O'ahu's PEG channels with the same channel capacity and services provided by the present operator. Oceanic Time Warner Cable currently provides PEG access with six analog and six digital channels on which to present community access programming.
- While the number of PEG channels is important, the bandwidth that those channels occupy is even more important. About 10 to 12 digital channels can be created within the bandwidth of an analog channel. Eventually, when digital channels replace analog service, the bandwidth now used by 'Ōlelo's six analog channels could accommodate 60 to 70 digital channels. This capacity could support not only PEG programming but a wide range of added services that benefit everyone,

such as video on demand for community programming. Earlier it was noted that Video-On-Demand could meet the needs of the community to have program content that is effectively accessed at any time rather than only at the time a program is scheduled to air. With that in mind, 'Ōlelo requests adequate bandwidth to carry the same six channels of programming, as well as a commitment from Hawaiian Telcom to provide additional digital spectrum and services of comparable value to six analog channels.

- To ensure that community programming is available and watched by the greatest number of subscribers, it is important to group the community access channels together and consecutively with Hawaiian Telcom's basic lower tier of service along with other local channels. This will benefit subscribers by creating a continuum of local programming that is easy to find and benefit community producers and presenters by an increasing the likelihood of viewership. We believe that community access programming warrants this prominent placement with other local programming because PEG access producers and presenters create and air more local programming than all the commercial local affiliates combined.

Additional Origination Sites

- 'Ōlelo is community based, and local PEG producers have often asked to originate live programming from various locations around O'ahu. Oceanic Cable helped facilitate these productions by providing sixteen fiber optic origination points at various locations around the island, however community needs have increased beyond those initial sixteen sites.

- For example, there is no origination point in Kapolei, O'ahu's second city that includes Kapolei Hale where the City Council convenes meetings from time to time. Nor can programming originate live from the Hawaii Convention Center, the site of major conferences and cultural events and a facility that has a major role in O'ahu's Civil Defense system.
- Critical government and community meetings in locations across the island go without live coverage because the origination infrastructure is absent. Hawaiian Telcom can help address these shortfalls across our community by adding origination points at locations to be determined in consultation with 'Ōlelo, our partners and the community
- We also ask that a process be put in place that would allow 'Ōlelo to move these points within reason as necessary to serve the community's needs. Hawaiian Telcom need not make all of these origin points available immediately, but we would request a roll-out plan that spans a reasonable period of time.
- To provide flexibility in meeting changing community needs and ensure parity between Hawaiian Telcom and Oceanic Cable, we suggest that a mechanism be created to add origination sites to both systems if needed in the future.

Quality

- We ask that the quality of the signal delivered on each channel provided by Hawaiian Telcom be equivalent to the signal quality of their premium channels. That exceeds what is currently required of Oceanic Cable. Our request is based on the fact that 'Ōlelo's next generation of cameras will capture video in high definition. Our edit systems already have high definition capabilities and we would want high-

definition content to be transmitted accordingly. We expect to request the same quality signal from Oceanic in future franchise renegotiations.

- We would want the DCCA to recognize the scalability of IPTV system that Hawaiian Telcom has described in their franchise request. Individual program streams or “channels” may be assigned different data rates and, therefore, different levels of signal quality. The question of quality is more pressing in the case of digital technology as opposed to traditional analog cable systems. ‘Ōlelo believes it is important to ensure that the community views expressed through PEG access programming receive equal treatment with respect to quality as well as reasonable placement so that Hawaiian Telcom subscribers can readily access them.

Technical Requirements

Hawaiian Telcom’s IPTV services rely on technologies that are very different from those employed in traditional cable television systems. To ensure that ‘Ōlelo can continue to adequately serve the community through the Hawaiian Telcom system, these new and different technologies must not present barriers to entry into their system. Therefore, it is important that:

- If retooling of ‘Ōlelo’s facilities is needed to ensure compatibility with their system, that Hawaiian Telcom provide, at no expense to ‘Ōlelo, the necessary hardware, software, and connections to allow ‘Ōlelo entry into and complete functionality within their system. Included in those connections would be dedicated fiber and hardware that allows delivery of community programming from ‘Ōlelo’s playback facility to Hawaiian Telcom’s headend for distribution.

- If maintenance, replacement and upgrading of these systems are required, that it be done at no cost to PEG access.
- In order for 'Ōlelo to monitor PEG channels on their system, we ask that Hawaiian Telcom provide connections to their system at each community media center without cost.

Support in Transition

As people subscribe to Hawaiian Telcom video service—whether they are new customers or those moving from Oceanic Cable—customers should be aware of 'Ōlelo's presence on the system. New subscribers may take time to become familiar with a new channel line-up, and that transition could diminish the community benefit. We would request Hawaiian Telcom's assistance in promoting 'Ōlelo programming and services on their channels. This would include:

- Inclusion in Hawaiian Telcom's program listings, wherever they appear
- Free cross-channel promotion of programs and available 'Ōlelo services
- Items in printed and electronic subscriber newsletters
- Listing on Hawaiian Telcom's web site, should other local or premium channels be present. Additionally, as the number of program offerings increase, the ability of viewers to be aware of and locate community access programming will become increasingly challenging. Therefore, we ask that promotion support be continued throughout the franchise period and that a similar requirement be made of Oceanic Time Warner Cable in its franchise renewal.

• Reaching a broad and diverse audience is central to 'Ōlelo's service to the community. We would like Hawaiian Telcom's aid in gathering and accessing timely

and accurate viewership data. Particularly with a new video service, our ability to serve the community is improved if we can better understand viewer interests and trends.

Examples of useful viewer data would include:

- focus groups
- surveys and
- digital viewer tracking.

Future Services

An important part of the DCCA's earlier franchise negotiations with Oceanic Cable was the recognition that flexibility would be required in addressing 'Ōlelo's future needs and services. Cable systems and communities change over time. The accelerating evolution of technology is mind-boggling, and it is impossible to foresee every potential development over the long life of a franchise. 'Ōlelo would like local producers, presenters and the community at large to enjoy the benefits that flexibility brings as needs and technologies rapidly evolve.

The DCCA's Decision and Order No. 154 stipulated a formula for determining the number of channels that Oceanic Cable would make available for PEG programming in recognition of growing community needs. Three to begin, an additional two when Oceanic's total number of activated channels reached forty-two, and ten percent of all available channels over forty-two.

There is the potential for an IPTV system to offer hundreds of data streams, each of which would be the equivalent of a traditional cable "channel." As a result, the community could be eligible for dozens of channels of its own.

It may be more useful to define value in terms of bandwidth and services. Doing so offers PEG Access the flexibility envisioned in the DCCA's original negotiations with Oceanic Cable. It also provides an opportunity to achieve parity between two dissimilar systems.

We suggest that this flexibility be codified in a process that sets parameters for future service requests that would address a suitable and reasonable percentage of the total bandwidth on the Hawaiian Telcom system. Among others, these future services could include video-on-demand that would deliver PEG community access content, interactive services that would be useful to PEG community producers and partners, or additional channels of PEG Access content. In some cases, we would ask that Hawaiian Telcom also be required to provide additional hardware, connections, and storage to make these enhanced services possible. The touchstone, once again, is what services will best address the needs of a diverse and growing community, and how 'Ōlelo and Hawaiian Telcom can work together to develop and support a PEG access system that maximizes the impact of future developments in IPTV.

II. Conclusion

'Ōlelo believes that the introduction of this new method of transmitting programming can be beneficial to our community. It offers not only more choice, but the potential to develop new and more effective ways for 'Ōlelo to serve local PEG access producers and presenters, and to expand upon the mission of PEG access on O'ahu. We welcome Hawaiian Telcom as a partner, and look forward to working with them to serve our community.



Respectfully submitted,

A handwritten signature in black ink, written in a cursive style. The signature reads "Keali'i S. Lopez".

Keali'i S. Lopez
President and CEO
'Ōlelo Community Television



"Henry Isara" <henryisara@hotmail.com> on 07/21/2006 04:15:51 PM

71

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: comments

2006 JUL 24 A 7:48

A/E P/S

FILE

please see attached.



- COMMENTS TO DCCA EMAIL 7-21-06.doc

COMMENTS TO THE DEPARTMENT OF

July 21, 2006

**Mr. Mark E. Rectenwald
Director of Commerce and Consumer Affairs**

**Ref. Hawaiian Telcom Service Company, Inc.
Application for a cable franchise.**

My name is Henry Isara and I'm with the Hawaii United Okinawa Association and a co-chair of our video committee and one of the producers of our show called "Hawaii Okinawa Today" which is aired on Monday nights on Channel 53 from 7:00 to 8:00 PM.

We started our show in 1998 when I was 66 years old and did not know anything about "Olelo" or about video or video production.

We approached "Olelo" in 1998 for training to produce our show and we had a great response and we started training of our 14 original people. The training of our crew was very successful and we have produced our weekly show ever since.

We have done studio shoots, van shoots, air pack shoots and on site shoots. The training by "Olelo" made it possible for us to provide our necessary manpower for all of our shoots.

Later we had 14 new members that were trained by "Olelo" and we continued to provide our weekly show with our own crew.

We had a "Van Shoot" training in May of this year at "Olelo" and 12 people attended this session. This training was excellent and it provided 12 more volunteers to assist us for our Van shoots we have planned for this year. The addition of these volunteers will make our video shoots for our organization much easier.

When ever training was necessary for new equipment the training by "Olelo" staff were excellent.

We will be working with "Olelo" for future training sessions in the near future for our new interested people very soon.

We have had great service from the people from "Olelo" and we know we will be able to continue our show.

We have had great response from many of our viewers and we know that our show is being watched by many people. Many of our viewers would stop and talk with us and express their gratitude for providing an enjoyable show.

I believe "Olelo" is doing a wonderful job in providing their services to more people in our community and I know that many of our young people are learning a great deal about "Olelo" and enjoying themselves by doing so.

We met many of the “Olelo” volunteers and they are wonderful people who would help when their expertise were needed by us.

The service provide us by “Olelo” has been great and we know they will continue to provide the best service possible.

These are the services provided by “Olelo” and we hope that the work and improvements over the last 16 years will be continued and all the things that they have been doing will be maintained for the use of the general community.

“Olelo” and the cable Television and Public, Education and Government Access must be maintained.

**With much Aloha and Thank You,
Henry H. Isara**



72

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: Comments for Hawaiian Telcom IPTV

2006 JUL 24 A 7 48

A E P S
FILE

Don McCuiston
1050 Bishop Street
Suite 400
Honolulu, Hawaii 96813-4210

Cable Television Division
Department of Commerce and Consumer Affairs
Post Office Box 541
Honolulu, Hawaii 96809-0541

July 21, 2006

To Whom It May Concern:

I believe the State of Hawaii should only allow Hawaiian Telcom to provide IPTV service with the following conditions. Hawaiian Telcom must provide IPTV to consumers without the requirement of telephone service. In addition, Hawaiian Telcom must carry and financially support 'Olelo Community Television.

Prior to the sale of Verizon Hawaii, Verizon Communications offered dry-loop DSL to their mainland customers, but not to their Hawaii customers. Naked DSL is Internet access, without telephone service, being carried to the consumer's home over the standard copper lines. The baby bells in our country gave the excuse that it was not technologically possible to deliver DSL service in an a la carte fashion. This has been proved to be incorrect. Verizon Communications now offers the service as a standalone product and stated that the biggest hurdle for selling individual products is their billing systems. Hawaiian Telcom should only be allowed to offer IPTV service if they do not require consumers to subscribe to their telephone service. The price should also not be dramatically different for IPTV subscribers if they do not opt to buy and/or bundle other Hawaiian Telcom products. Oceanic Time Warner does not force their cable customers to subscribe to their digital phone service in order to have cable television.

Perhaps the state should look for some further assistance on the issue from Consumers Union at <http://www.hearusnow.org/> .

Thank you,
Don McCuiston
(808) 277-6373



73

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: <cabletv@dcca.hawaii.gov>
cc:
Subject: Hawaii Telco franchise request

2006 JUL 24 A 7:48
A E P S
FILE

KATHY NANCE
P.O. BOX 422
HALEIWA, HAWAII
96712

Dear DCCA,

I understand that Hawaii Telcom is requesting a cable franchise. If they are granted one, I'm asking that the DCCA should require the same service that Oceanic Time Warner cable has provided, with six channels for Hawaii's community. Both franchises should provide the same service. Any lessening of this high standard would be a move in the wrong direction for community access.

The services provided by 'Olelo have been superior. Over ten months ago, I had absolutely no media experience. 'Olelo's client counselors and MediaCentertechnicians assisted me in getting my premiere TV talk show, CHATTY KATHY, on the air. Sure, I showed up in their Mini Studio with my guests and was responsible for the content of my show, but they provided everything else --the necessary computer graphics, lighting, and camera technicians, just to mention a few things.

From the very first day I attended "Olelo's introductory class, the counselors encouraged me to move forward with my dream of hosting a talk show. Two weeks later, I taped two shows, back-to-back. One month later, after the airing of four episodes, I was subsequently granted a weekly series. This is pretty amazing for a person with no prior experience.

Four months ago, I enrolled in one of 'Olelo's five day courses at the Mapunapuna facility, where I was trained in Production, Camera, and Editing. As expected, the instructors were very knowledgeable, proficient, and thorough, in teaching the required material to ensure the official certification for those of us desiring it.

Soon afterwards, with the assistance of one of 'Olelo's staff at the Leeward facility, I was able

to edit fifteen episodes from my TV series, compiling a "best of" special. This particular staff member patiently instructed me and tirelessly availed himself to enhance my show's overall presentation, by implementing his vast computer knowledge and skill.

The overall quality of services provided by 'Olelo's staff has been incomparable –they give above and beyond the call of duty. Everyone has been warm and extremely helpful. They are not only professional in their dealings with clients, but they are also friendly, gregarious and encouraging. I'm always greeted by name and with a smile on their faces.

If Hawaii Telcom were to become the sole provider of P.E.G. Access, in Hawaii, they should be expected to provide the same services that Oceanic Time Warner and 'Olelo have been successfully providing to Hawaii's community.

Thank you for your serious consideration,

Kathy Nance (CHATTY KATHY---Channel 54)

www.kathynance.com



54

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

To: cabletv@dcca.hawaii.gov
cc:

Subject: Application by Hawaiian Telcom for a Cable Franchise

2006 JUL 24 A 7 48
A E P S
FILE

Aloha Dear People,

I LOVE 'Olelo!

I am a 65 year old retired woman. My passion is video work and I volunteer with 'Olelo as a community producer and camera person. I love being able to play as an artist and give back to the community.

'Olelo staff are incredible, so supportive, helpful and knowledgeable. I can walk from my home to 'Olelo's satellite in Kahuku. This is such a convenience for me as I no longer drive.

The equipment is kept in good shape and continues to be upgraded as needed. I have had no complaints over my eight plus years as a community producer on Oahu and the Big Island.

Not only is 'Olelo wonderful for me as an individual, it is marvelous for the community. People are able to see their friends, family, community members and officials on 'Olelo at community meetings, sharing ideas and vital information, discussing local issues, performing, sharing culture.

I have been able to produce programs on early breast cancer detection, diabetes prevention, stress reduction, free hepatitis B screening and immunization, local health fairs, the Big Island erupting volcano, school performances, a Lion Dance and other events.

I would hope that each cable television franchise holder should provide PEG support of comparable value: Oceanic provides PEG operating funds of 3% of its gross revenues and \$3. per subscriber per year for Equipment and Facilities support.

I would also hope that the franchise agreement with Hawaiian Telcom would have the same bandwidth channel capacity of 6 analog and 6 digital channels with the possibility of more as needed.

I realise Hawaiian Telcom is in a transition period. I have found it frustrating to wait 45min. to talk to a representative. Also, to have called three times in three months and still not have simple corrections made to my bill. Hopefully, that is not indicative of future services.

Thank you for your time and trouble.

ENjoy,

Noyita Saravia
56-154 Puuluana Pl. #53
Kahuku, Hawaii 96731

75

Glen WY Chock
07/26/2006 03:04 PM

To: Patti K Kodama/DCCA@DCCA
cc: Laureen K Wong/DCCA@DCCA, Clyde Sonobe/DCCA@DCCA
Subject: Fw: language for Hawaiian Telcom franchise agreement re P channel

Patti, per Mr Garland's request, please print his email and make it part of the public comment record pertaining to the Hawaiian Telcom proposal.

Thanks,
Glen

----- Forwarded by Glen WY Chock/DCCA on 07/26/2006 03:03 PM -----



Esther Zukeran
07/26/2006 01:26 PM

To: CableDO
cc:
Subject: Fw: language for Hawaiian Telcom franchise agreement re P channel

d2641

----- Forwarded by Esther Zukeran/DCCA on 07/26/2006 01:24 PM -----



jeff garland
<digitaleye@hi808.net>
07/23/2006 08:55 AM

To: DCCA Director Mark Recktenwald
<mrecktenwald@dcca.hawaii.gov>
cc:
Subject: language for Hawaiian Telcom franchise agreement re P channel

Aloha Director Recktenwald,

I think it's time to spell out in the franchise, rather than hiding the intent in administrative rules, the intent of the Public channel(s). Please consider the language below.

'Grantee shall provide to each of its subscribers who receive all, or any part of, the total services offered on the system, reception on at least one specially designated non-commercial public access channel **available for use by the general public on a first-come, nondiscriminatory basis.**'

I also hope the above language makes its way into the RFP for nonprofit management of Hawai'i PEGs.

Please make this part of the public comment record pertaining to the Hawaiian Telcom proposal.

Sincerely,

Jeff Garland



76

RECEIVED

2006 JUL 26 A 10:16

UNIVERSITY OF HAWAII

David McClain
President

DIRECTOR'S OFFICE
COMMERCE AND
CONSUMER AFFAIRS

July 19, 2006

Mr. Mark Recktenwald, Director
Department of Commerce and Consumer Affairs
P.O. Box 541
335 Merchant Street, Room 101
Honolulu, Hawaii 96809

FILE
A
2006 JUL 27 A 8:50
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Dear Director Recktenwald:

I would like to provide you with the University of Hawaii System's official input regarding the application of Hawaiian Telcom for a new cable television franchise for the island of Oahu.

As you know, the University of Hawaii is the sole provider of accredited public post-secondary education in the State of Hawaii. We serve more than 50,000 credit and 25,000 non-credit students through our 10 campuses and 5 education centers on 6 islands. Hawaii's cable television franchise agreements have been an essential tool in our entire system's ability to serve the people of Hawaii. The educational access television channels on all islands permit us to provide credit and non-credit educational programming to people who can not attend classes on our campuses. And the institutional networks we share with the State of Hawaii and Department of Education are essential infrastructure for all our campuses as the means of linking us together as one higher education system.


We have reviewed the application submitted by Hawaiian Telcom. Our concerns with the application regarding PEG access have been addressed in the applicant's responses to DCCA's requests for clarification. It is important that any franchise order require Hawaiian Telcom to provide an equal number of PEG channels as the incumbent along with connectivity for the University to transmit our educational access programming directly onto their video system and dedicated funding for PEG programming.

However, we are still gravely concerned that the applicant has not committed to providing any institutional network services, much less anything comparable to the comprehensive institutional network provided by the current franchisee. We urge that you require Hawaiian Telcom to provide substantive institutional network support as part of their franchise obligations. There are two reasons for this request.

First, the institutional network provisions represent the principal "return" to Hawaii's public sector for the use of public rights-of-way. Other regulatory requirements established at the federal level, e.g., universal service obligations, do not return substantial value to Hawaii's government, education sector or even the general public. Hawaiian Telcom has substantial network infrastructure available to it for its new television services. Institutional network access to this infrastructure, in the public rights-of-way they have been granted, could serve as an

Mark Recktenwald
July 19, 2006
Page 2

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to the existing resources in order to help the University and the rest of
serve the people of Oahu. To the extent the Oahu franchise will set the
Hawaiian Telcom franchises on other islands, this concern is even more

Second, we are gravely concerned about the impact in this current dynamic regulatory environment of granting Hawaiian Telcom a franchise without a substantial institutional network mandate. Congress is actively engaged in consideration of significant changes to our national telecommunications regulations. It is possible that under new regulations an incumbent franchise holder may be entitled to renegotiate their franchises to terms no more demanding than those granted to new entrants. In this case, providing Hawaiian Telcom with relief from the institutional network provisions could lead to loss of benefits of the current franchise that are absolutely essential to our service to the public on all islands.


The institutional network capacity provided to the University of Hawaii System by the incumbent under the current cable television franchise orders delivers irreplaceable, mission-critical telecommunications capabilities and benefits to the entire University community and the public. The institutional network is the University's sole source of high-capacity on-island connections among the University's primary campus and education center locations and provides fully 50% of the University's current inter-island connection capacity. The level of connectivity provided by the institutional network matches, and in most cases exceeds, the capacity available at a reasonable cost from the telecommunications carriers in our state.

To name just a few of the critical uses this enables, we rely on institutional network capability to support distance learning, videoconferencing, library access, Internet access, and connection to our enterprise databases and information systems. Loss of this capability would be catastrophic for the University of Hawaii System without a massive infusion of new funding and substantial changes in the Hawaii telecommunications marketplace.

We therefore urge you to ensure that Hawaiian Telcom is mandated to provide institutional network capability as part of its franchise requirements.

If you or your staff have any questions about our position on these matters, or if we can assist in any way, please do not hesitate to contact me or our Chief Information Officer, Dr. David Lassner at 956-3501.

Sincerely,


for David McClain

c: Chief Information Officer Lassner



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STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

RECEIVED
2006 JUL 27 A 9:19
DIRECTOR'S OFFICE
COMMERCE AND
CONSUMER AFFAIRS

OFFICE OF THE SUPERINTENDENT

June 20, 2006

MEMO TO: The Honorable Mark Recktenwald, Director
Department of Commerce and Consumer Affairs
FROM: *Patricia Hamamoto*
Patricia Hamamoto, Superintendent
SUBJECT: Hawaiian Telcom Cable Franchise Application

FILE
A-E-P-S
2006 JUL 31 A 8:00
CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

The Department of Education (DOE) urges that Hawaiian Telcom be mandated to provide Institutional Network (I-Net) capability similar to the I-Net provisions being provided by the current franchise holder as part of its franchise requirement. The DOE also urges that the Hawaiian Telcom's franchise agreement provide at least the same number of dedicated PEG channels as the incumbent franchise holder to transmit our educational access programming directly onto their broadcast system on a dedicated channel for the DOE, and provide dedicated funding for PEG programming.

Background:

We have reviewed the application submitted by Hawaiian Telcom and the applicant's responses to DCCA's requests for clarification. The following are concerns that we have regarding Hawaiian Telcom's application for a new IP television franchise application:

1. Applicant's proposed I-Net proposal and PEG access proposal will not provide the DOE with any substantial benefit.
2. Franchise without solid I-Net and PEG access agreements may further erode our current I-Net provision, infrastructure and resources being provided by the current franchisee in the future.
3. I-Net could be impacted by this decision in light of the current dynamic telecommunications regulatory environment with the new proposed national telecommunications law and regulations.
4. What is established on Oahu as a "standard" will be extended for future Hawaiian Telcom franchise requests on other islands.

The Honorable Mark Recktenwald, Director
June 20, 2006
Page 2

Educational Infrastructure:

Our educational environment requires a comprehensive technology infrastructure to provide equitable access across the state. This is represented by the following:

- The current PEG channel dedicated to the DOE is used to deliver educational programming to our schools and to the people who cannot attend the classes on our school campuses. Subscribers of Hawaiian Telcom's new service will be deprived of the learning opportunities being provided via our broadcast network.
- Hawaiian Telcom has substantial network infrastructure and capacity to provide I-Net infrastructure that can complement the existing I-Net resources to better serve the educational and public communities.
- The current I-Net shared with the State of Hawaii and the University of Hawaii is the main backbone of our telecommunications network that provides high capacity, high speed network connecting our schools. We rely on I-Net to provide high speed network to the school sites where no high capacity network is provided by the commercial telecommunication service providers. The DOE uses I-Net to provide on-line educational resources, instructional administration, professional training through multimedia applications. I-Net provides us reliable network connectivity for critical administrative application systems for the DOE. We plan to expand the use of I-Net to include about 80 additional schools within the next three years.

Please do not hesitate to contact Mr. Rodney Moriyama, Assistant Superintendent, Office of Information Technology Services at 586-3307 or e-mail rodney_moriyama@notes.k12.hi.us, if you or your staff have any questions about our position on these matters, or if you need additional information.