



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

In the Matter of the Arbitration of)	DEPUTY DIRECTOR'S FINAL ORDER
)	REGARDING THE AMOUNT OF
OLELO COMMUNITY MEDIA)	CAPITAL FUND PAYMENTS FOR
)	2012 TO 2014 FOR GOVERNMENT
vs.)	PEG ACCESS PROGRAMMING
)	FACILITIES AND EQUIPMENT AT
TIME WARNER ENTERTAINMENT)	THE HAWAII STATE CAPITOL AND
COMPANY, L.P. DBA OCEANIC TIME)	FOR THE CITY AND COUNTY OF
WARNER CABLE)	HONOLULU ADMINISTRATION

**DEPUTY DIRECTOR'S FINAL ORDER REGARDING THE AMOUNT OF CAPITAL
FUND PAYMENTS FOR 2012 TO 2014 FOR GOVERNMENT PEG ACCESS
PROGRAMMING FACILITIES AND EQUIPMENT AT THE HAWAII STATE CAPITOL
AND FOR THE CITY AND COUNTY OF HONOLULU ADMINISTRATION**

I. **INTRODUCTION**

On July 27, 2012, the Deputy Director of the Department of Commerce and Consumer Affairs ("DCCA"), Jo Ann Uchida Takeuchi ("**Deputy Director**"), issued a "Deputy Director's Final Order Regarding Arbitrator's Decision Filed on July 27, 2012" ("**Final Order**").

Under Section III.D of the Final Order, the Deputy Director determined that Time Warner Entertainment Company, L.P. ("**Oceanic**") is responsible to provide funding for government PEG programming facilities and equipment at the Hawaii State Capitol ("**Capitol**") and for the City and County of Honolulu Administration ("**CCHA**"). The Final Order further stated that the amount of Capital Fund Payments for the Capitol and CCHA shall be determined separately by the Deputy Director.

On July 27, 2012, the Deputy Director also sent Oceanic and Olelo Community Media ("**Olelo**") a letter informing them of DCCA's intent to issue an order regarding Capital Fund Payments for the Capitol and CCHA. Each party was given an opportunity to submit a written brief to DCCA solely addressing the amount of governmental capital funding for PEG access facilities and equipment at the Capitol and CCHA, and Olelo's June 8, 2012 request for an additional amount of \$181,595.00 (\$174,595.00 for the City Council's Studio/Control Room, and \$7,000.00 for furniture at the Capitol Satellite Center).

On August 16, 2012, Olelo and Oceanic each submitted a brief to DCCA on the matter.

II. FINAL ORDER

A. Oceanic's Requests for Offsets to the Amount of Capital Funds for the Capitol and CCHA

In its August 16, 2012 brief, Oceanic requested that the amount of capital funds it was required to pay for the Capitol and CCHA pursuant to the Final Order be reduced or offset by \$1,403,146.00.¹

After carefully considering Oceanic's request, the Deputy Director determines that none of the requested offsets pertain to government PEG programming facilities and equipment at the Capitol and CCHA. Because the requested offsets pertain to matters already addressed by the July 27, 2012 Final Order, they are inapplicable to the limited issue addressed in this Final Order.

The Deputy Director therefore denies Oceanic's requested offsets.

B. Capital Fund Payments for 2012 to 2014 for the Capitol and CCHA

1. For the Capital Fund Payments for 2012 to 2014 for the Capitol and CCHA, the Deputy Director hereby orders that:
 - a. For 2012, Oceanic shall pay Olelo \$286,880.00 within forty-five (45) calendar days from the date of this Final Order;
 - b. For 2013, Oceanic shall pay Olelo \$173,207.00 on or before January 31, 2013; and
 - c. For 2014, Oceanic shall pay Olelo \$72,706.00 on or before January 31, 2014.
2. Thus, the total amount of Capital Fund Payments that Oceanic shall pay Olelo for 2012 to 2014 for the Capitol and CCHA is \$532,793.00.
3. Oceanic shall confirm in writing to DCCA that each of the above payments has been made within fourteen (14) calendar days of each payment.
4. Olelo shall maintain records that specifically identify the government PEG access programming facilities and equipment

¹ See, pages 9 to 15 of Oceanic's August 16, 2012 brief.

purchased with the above Capital Fund Payments, and provide detailed annual reports (and any other information requested by DCCA) by January 31st of each year to DCCA.

C. Olelo's June 8, 2012 Request for an Additional \$181,595.00 in Capital Fund Payments for 2012 to 2014 for the Capitol and CCHA

The Deputy Director notes that Olelo's request for an additional \$181,595.00 in Capital Fund Payments for 2012 to 2014 for the Capitol and CCHA was not included in the arbitration proceeding, and is untimely.

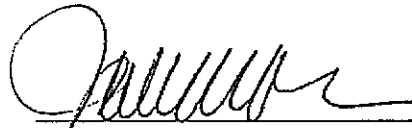
In addition, the Deputy Director determines that these amounts are not warranted.

The Deputy Director therefore denies Olelo's request for these additional amounts of Capital Fund Payments.

D. Remaining Provisions in the July 27, 2012 Final Order

Except as otherwise specifically provided herein, the remaining provisions in the July 27, 2012 Final Order shall continue to remain in full force and effect.

Dated: Honolulu, Hawaii, October 30, 2012.



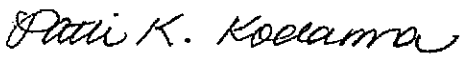
JO ANN M. UCHIDA TAKEUCHI
Deputy Director
Department of Commerce and
Consumer Affairs

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing DEPUTY DIRECTOR'S FINAL ORDER REGARDING THE AMOUNT OF CAPITAL FUND PAYMENTS FOR 2012 TO 2014 FOR GOVERNMENT PEG ACCESS PROGRAMMING FACILITIES AND EQUIPMENT AT THE HAWAII STATE CAPITOL AND FOR THE CITY AND COUNTY OF HONOLULU ADMINISTRATION was served upon the following persons at the addresses shown below by mailing the same, postage prepaid, on October 30, 2012.

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