

LINDA LINGLE
GOVERNOR



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CABLE TELEVISION DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
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December 31, 2008

Mr. Nate Smith
President
Time Warner Entertainment Company, L.P.
200 Akamainui Street
Mililani, HI 96789-3999

Dear Mr. Smith:

Re: Letter Order – 6th Access Channel for the Oahu Cable Franchise Area

In Decision and Order No. 326 dated December 28, 2005, the Director of the Department of Commerce and Consumer Affairs ("**Department**") amended Decision and Order No. 320 and directed Time Warner Entertainment Company, L.P. ("**TWE**") to designate and provide for activation an additional analog channel for public, educational, and governmental ("**PEG**") access purposes ("**6th Access Channel**") for a one-year period.

By subsequent letter orders,¹ the Department has directed TWE to continue the designation and activation of the 6th Access Channel until December 31, 2008.

On December 19, 2008, the State Procurement Office ("**SPO**") granted the Department a six-month extension of the procurement exemption for PEG access services contracts. The Department and Olelo Community Television ("**Olelo**") subsequently agreed to Supplemental Agreement No. 15 which extends the existing contract between the parties to June 30, 2009.

The SPO granted the procurement exemption extension to ensure the continued provisions of PEG access services and to provide additional time to proceed with the Request for Proposals ("**RFP**") process and award of PEG access services contracts. It is projected that a RFP will be issued in due course, and in response to the RFP, bid proposals may reference the number of activated access channels that Offerors will need to provide PEG access services covered in the RFP, and may also include the

¹ Letter Orders dated January 9, 2007, July 27, 2007, December 5, 2007, and June 30, 2008.

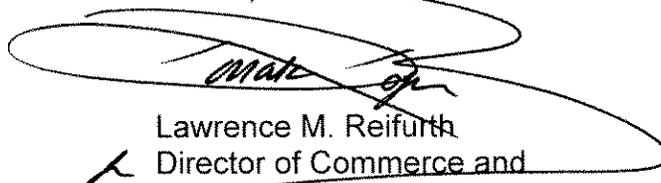
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use of digital channels as opposed to analog channels. Prior to making a final decision on the 6th Access Channel, the Department would like the opportunity to consider any relevant information on access channels that may be provided as part of the RFP process.

Accordingly, the Department defers its final decision on the 6th Channel at this time. The Department therefore directs TWE to continue the designation and activation of the 6th Access Channel for the Oahu cable franchise until June 30, 2009. Except as otherwise provided in this Letter Order, the remaining provisions of Decision and Order No. 154 (including but not limited to section 5.2), as amended by Decisions and Orders Nos. 156, 158, 243, 261, 320 and 326, shall continue to remain in full force and effect.

If you have any questions on the above, please contact Mr. Clyde Sonobe, the Cable Administrator, at (808) 586-2620. Thank you for your cooperation and assistance in this matter.

Very truly yours,



Lawrence M. Reifurth
Director of Commerce and
Consumer Affairs

c: Kealii Lopez, Olelo
Brian Kang, Esq.
Clyde S. Sonobe, CATV