

LINDA LINGLE GOVERNOR

JAMES R. AIONA, JR. LT. GOVERNOR

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/dcca LAWRENCE M. REIFURTH DIRECTOR

> RONALD BOYER DEPUTY DIRECTOR

December 5, 2007

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 Oahu Cable Franchise Area

In a Letter Order dated July 27, 2007, the Department of Commerce and Consumer Affairs ("**Department**") directed Time Warner Entertainment Company, L.P. ("**TWE**") to continue the designation and activation of the 6th Access Channel for the Oahu franchise area until December 31, 2007. The Department deferred making a final decision on the 6th Channel until it had an opportunity to consider relevant information on access channels arising out of the competitive procurement process for PEG access services.

Since the July 27, 2007 Letter Order, the State Procurement Office ("**SPO**"), on behalf of the Department, issued on July 31, 2007, a Request for Proposals ("**RFP**") for PEG access services. Access organizations filed protests on the RFP, and the RFP is presently on hold pending resolution of the protests. In addition, Akaku: Maui Community Television ("**Akaku**") filed three lawsuits against the Department in Maui County regarding the RFP. In an order dated November 15, 2007, the Honorable Joel E. August denied Akaku's Motion for Preliminary Injunction against the Department. However, he strongly suggested that the Department promulgate an administrative rule that specifies the method the Department will use to designate and select a PEG access organization and the factors or criteria the Department will use to designate and select a PEG access organization. The Department is complying with Judge August's suggestions and is in the process of promulgating a proposed rule. Mr. Nate Smith December 5, 2007 Page 2

Since the RFP process is still pending, the Department <u>defers</u> 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 franchise until **June 30, 2008**. 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 Clyde S. Sonobe, CATV