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GOVERNOR

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STATE OF HAWAII
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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LAWRENCE M. REIFURTH
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VIA FACSIMILE AND U.S. MAIL

July 1, 2008

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

Dear Mr. Smith:

Re: Letter Order — Payment of the Remainder of the 2008 Access Operating Fees and Capital Fund Payments to Olelo, Hoike, Na Leo, and Akaku

Pursuant to a January 11, 2008 Letter Order, the Department of Commerce and Consumer Affairs (“**Department**”) directed Time Warner Entertainment Company, L.P. (“**TWE**”) to pay fifty percent (50%) of the respective 2008 Access Operating Fees and also to pay fifty percent (50%) of the respective 2008 capital fund payments to the following public, educational, and governmental (“**PEG**”) access organizations: Hoike: Kauai Community Television, Inc. (“**Hoike**”), Na Leo O Hawaii, Inc. (“**Na Leo**”), Olelo Community Television (“**Olelo**”) and Akaku: Maui Community Television (“**Akaku**”).

TWE was also directed to deposit and maintain the balance of the 2008 Access Operating Fees and the balance of the 2008 capital fund payments in separate interest-bearing accounts in federally insured financial institutions pending further instruction from the Department. In addition, TWE was allowed to recover the reasonable costs of administering the bank accounts (including the tax impact of any interest earned) from the interest on the accounts. Any remaining interest earned on the bank accounts would then be prorated and disbursed among the PEG access organizations.

The January 11, 2008 Letter Order noted the Department's expectation that payment instructions for the remaining portion of the 2008 Access Operating Fees and Capital Fund Payments would be forthcoming by June 2008. Accordingly, the Department hereby directs TWE to disburse the remaining fifty percent (50%) of the

Mr. Nate Smith
July 1, 2008
Page 2

2008 Access Operating Fees being held for Olelo, Na Leo, Hoike, and Akaku, subject to the provisions in this Letter Order, to each respective PEG access organization. By separate check, TWE shall also disburse the remaining fifty percent (50%) balance of the 2008 capital fund payments to each respective PEG access organization. Payments shall be made no later than ten (10) days from the date of this Letter Order and copies of the payment checks shall be sent to the Department.

In addition, for each type of payment, TWE shall pay by separate checks to the PEG access organizations any prorated interest earned on each type of fund being held (i.e., two checks are required — a separate check for interest earned on the Access Operating Fees bank account and another check for the interest earned on capital fund payments), less reasonable costs for administering the bank accounts and any tax impact of the interest earned. TWE shall provide each PEG access organization and the Department with an accounting of the interest earned on the funds. TWE shall provide the Department with copies of the interest payment checks. The interest payments and accounting shall be made no later than thirty (30) days from the date of this letter.

If you have any questions on the above, please do not hesitate to contact Mr. Clyde S. Sonobe, the Cable Television Administrator, at (808) 586-2620. Thank you for your attention to and cooperation in this matter.

Sincerely,

Lawrence M. Reifurth
Director of Commerce and Consumer Affairs

c: Russell Saiki
John Komeiji, Esq.
Kealii Lopez, Olelo
J Robertson, Hoike
Juergen Denecke, Na Leo
Jay April, Akaku
Marlon Wedemeyer (HENC)
Clyde Sakamoto, Chancellor (MENC)
Oscar Matsui, (MENC)
Clyde S. Sonobe, CATV