

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF HAWAI'I
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
CABLE TELEVISION DIVISION

HAWAIIAN TELCOM APPLICATION FOR CABLE FRANCHISE
PUBLIC HEARING

King Kalakaua Building-DCCA
335 Merchant Street
Queen Liliuokalani Room
Wednesday, July 19, 2006
4:00 p.m.

Before: Mr. Clyde Sonobe, Cable Administrator

DCCA Staff: Ms. Laurie Wong

Reported by: HOLLY M. HACKETT, RPR/CSR #130
Certified Shorthand Reporter

1		
2		
	I N D E X	
3	PUBLIC TESTIMONY	PAGE
4	JOEL MATSUNAGA	5,75
5	BRIAN KANG	19
6	EDWARD MURLEY	25
7	THERESIA McMURDO	31
8	KEITH ROLLMAN	32
9	SCOT F. LONG	33
10	J ROBERTSON	35
11	DON POOLE	38
12	JANE SUGIMURA	41
13	KEALII LOPEZ	42
14	SPARKY RODRIGUES	47
15	ALEX MCGHEE	50
16	PROFET WILLIE BURRUS	53
17	FUSHCIA KELIIKIPI-KAMAKANI	54
18	JORDAN KILA	55
19	ALAN IBANES	55
20	TULI LEOKA	56
21	AARON SHIRO	57
22	BRITNEY WOLF	58
23	AMBREE HAUHIO	60
24	TIONE WEST	60
25		

1 I N D E X

2 CONTINUED

3	PUBLIC SPEAKER	PAGE
4		
5	CHRISTIAN NAHOPII	61
6	ALOHA DAVIS	62
7	NATURALEE PUOLI	62
8	BRONSON GARCIA	65
9	MIKE BOWEN	65
10	BENNETTE EVANGELISTA	66
11	EVERA WILLIAMS	68
12	MARK HELMBERGER	69
13	MOLESI SAGAPOLUTELE	72
14	JAN LEE	72
15	MEREDITH NICHOLS	74

16

17

--00--

18

19

20

21

22

23

24

25

POWERS & ASSOCIATES (808) 536-2001

1 July 19, 2006

2 MR. SONOBE: Good afternoon. My name is Clyde
3 Sonobe. I'm the cable administrator with the Department
4 of DCCA. I'd like to thank all of you for attending our
5 hearing this afternoon. Before we get started I'd just
6 like to mention a couple of reminders.

7 If you haven't already done so, please sign in
8 with the sign-in sheet that's on the desk outside. We
9 will be using that sign-in sheet to become the order of
10 speakers this afternoon.

11 If you also haven't done so, please ensure if
12 you have any comments that you submit your comments in
13 writing. We would want all of your comments to be part of
14 the official written record.

15 If you are planning to testify and you haven't
16 submitted written comments, please do so. If you need our
17 mailing address or if you need our e-mail address you can
18 see Glenn Shock at the back of the room and he'll provide
19 that information for you.

20 The purpose of today's hearing is to allow the
21 public to comment on Hawaiian Telcom's application to
22 provide video services on the island of Oahu. We've
23 planned for our hearing to last until approximately
24 6:00 p.m. but we are available after that in case we have
25 a large number of people waiting to submit their comments.

1 Based on the initial sign-in sheet I think we
2 will be able to allow each person approximately up to 5
3 minutes to submit their comments. So if we happen to have
4 a late-arriving crowd I may have to have adjust the amount
5 of time allocated. But based on what I've seen so far I
6 think we'd be fine with five minutes per person.

7 Once everyone has had the opportunity to submit
8 their comments, if there is additional time we will allow
9 people who have testified to come forward again if they
10 want to submit additional comments.

11 Hawaiian Telcom will do a brief presentation of
12 their application after which we will commence with the
13 public comment portion of our hearing.

14 Once the public comment section has been
15 completed then Hawaiian Telcom wanted to come back and do
16 some final comments as well as a thank you to the
17 audience.

18 So are there any questions based on how we plan
19 to proceed this afternoon? If not, Hawaiian Telcom,
20 please proceed with your presentation.

21 MR. MATSUNAGA: Mr. Sonobe, members of the
22 public, good afternoon. I'm Joel Matsunaga, vice
23 president-external affairs of Hawaiian Telcom.

24 Thank you for allowing me this time to talk
25 about Hawaiian Telcom's plans to offer video services and

1 how they will benefit the residents of Oahu and eventually
2 the rest of the state.

3 I would like to take a moment to thank the
4 Department of Commerce and Consumer Affairs for arranging
5 this forum for the public to present comments on Hawaiian
6 Telcom's plans for video service. In developing its
7 plans, the Company has had many meetings and discussions
8 with various people and organizations in the community.

9 The input that we received from others has been
10 very useful and helped us shape our plans to better meet
11 the video services requirements of the residents of Oahu.

12 Since we announced our plans to offer video
13 services the Company has received a tremendous amount of
14 encouraging comments from residents who are looking
15 forward to having a choice in video services providers.

16 We are hopeful that we will hear similar
17 support during this hearing. We also recognize, however,
18 that some in the public may have concerns or comments
19 regarding video services in general or with Hawaiian
20 Telcom's specific plans.

21 As with all of the input received from the
22 public to date, Hawaiian Telcom will carefully consider in
23 its rollout of video services all comments presented
24 during this forum today. We value the public's input and
25 look forward to hearing the comments that will be

1 presented.

2 Before we begin, I should point out that while
3 telephone companies such as Hawaiian Telcom are
4 increasingly providing video services, the legal and
5 regulatory landscape for video services is in a state of
6 flux.

7 At the federal level it appears that there is
8 strong bipartisan support for enacting legislation that
9 will create a federal process for video franchising.

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

18 While Hawaiian Telcom believes there is merit
19 to the position that IPTV technology is not subject to a
20 cable franchise, we also believe it's important for
21 Hawaii's consumers to have a choice in video providers as
22 soon as possible.

23 That is why, regardless of positions being
24 taken by telephone companies elsewhere, or pending federal
25 legislation, the Company has elected to proceed at this

1 time with its application and to work with the DCCA for a
2 cable franchise. We have requested an early approval with
3 reasonable conditions which won't form a barrier to entry
4 and deny consumers the benefits from competition.

5 Not only has Hawaiian Telcom filed an
6 application for a cable franchise, but we believe that
7 even though we are not a cable company and will be
8 employing a technology different from the traditional
9 cable technology on which existing rules are based, we
10 have filed a proposal which is consistent with the state's
11 requirements of cable providers.

12 That differs significantly from the development
13 of competition within the telecommunications market.
14 Today, as you know, there is effective competition in the
15 telecommunications market.

16 For example, you as the consumer can choose
17 whether you want a wireline or a wireless phone. You can
18 choose from among several providers of service. You can
19 choose who provides you with broadband access to the
20 Internet.

21 When competition was introduced in the
22 telecommunications market, new entrants requested, and
23 significantly, were given, specific competitive advantages
24 by federal and state regulators to allow them to establish
25 a foothold and to grow in size to be an effective

1 competitor to the incumbent providers.

2 Unlike competitors entering the
3 telecommunications market, Hawaiian Telcom is not seeking
4 special treatment that would create market advantages as
5 we enter the video services market.

6 In fact, the Company has in its application,
7 fees, public access, and other requirements which we
8 believe meet the state's requirements for cable providers
9 while at the same time recognizes that Hawaiian Telcom
10 will be a new entrant in an established market and is
11 using a different technology from what the rules were
12 written to address.

13 As a new entrant in a market with an entrenched
14 incumbent, the challenges Hawaiian Telcom will face will
15 be considerable. But while those challenges may be
16 significant, the Company is willing to commit its
17 resources and capital so that Hawaii's consumers will have
18 choices and, as a result, the ability to shape the
19 services and value that they receive from video providers.

20 Hawaiian Telcom has proposed several innovative
21 approaches to make it possible for us to be able to offer
22 this state-of-the-art technology as the only viable
23 competitor in one of the nation's highest cable
24 penetration markets.

25 To make the best use of our time today, I plan

POWERS & ASSOCIATES (808) 536-2001

1 on covering two main areas during the remainder of my
2 presentation. The first area will be to provide an
3 overview of Hawaiian Telcom's plans to offer video service
4 on Oahu.

5 The second area will be to focus on the
6 significant benefits that residents of Oahu will realize
7 with Hawaiian Telcom's new 100 percent digital video and
8 audio services.

9 The basic programming line-up on Hawaiian
10 Telcom's new video service will be very competitive to
11 what's currently provided by cable and direct broadcast,
12 satellite providers. Hawaiian Telcom's programming will
13 include local channels. It will also include the channels
14 commonly viewed on existing cable such as CNN, the
15 Discovery Channel and premium channels such as Showtime
16 and Starz, to name a few.

17 Hawaiian Telcom also recognizes the important
18 role in our community of public access channels, otherwise
19 referred to as public education and government, or PEG
20 channels. The company's video service offerings will
21 include all six PEG channels.

22 But it won't stop there. With our recent
23 transformation to a locally managed company, Hawaiian
24 Telcom has the ability to focus specifically and
25 exclusively on what products and offers best serve the

POWERS & ASSOCIATES (808) 536-2001

1 needs of consumers in Hawaii. That means that in addition
2 to what's already available from others, Hawaiian Telcom
3 is looking to provide new programming content that will
4 appeal to the unique blend of cultures and interests of
5 our island community.

6 Some of the new content will be available as
7 new channels while others may be accessible using video on
8 demand that allows a viewer to see what they want, when
9 they want to.

10 Hawaiian Telcom has a 123-year history of
11 providing reliable and state-of-the-art communication
12 services to the residents of Hawaii. Since the company's
13 original charter from King Kalakaua in 1883, Hawaiian
14 Telcom has ensured that Hawaii benefited from a robust
15 communications infrastructure, a fact supported by
16 Honolulu's ranking as the No. 1 'Digital City' in the
17 United States.

18 Using the state-of-the-art infrastructure and
19 the Company's investment in a next generation network,
20 Hawaiian Telcom will be able to deliver high-quality, 100
21 percent digital video and audio programming to the
22 residents of the island of Oahu over the existing
23 telephone line.

24 So over the same facilities that the Company is
25 already providing quality voice communications and

1 high-speed data, Hawaiian Telcom will now offer robust
2 all-digital video services. It also means that the
3 Company will be able to offer consumers a true alternative
4 to the existing cable provider without the inconvenience
5 of digging up the streets to lay coaxial cable as was
6 necessary with cable service.

7 More details on the technology that will be
8 used to provide video service are included in the
9 Company's Application for a Cable Franchise which was
10 filed on May 4, 2006 with the DCCA and is available for
11 review by the public.

12 A similar next generation network approach is
13 already providing digital video services to over 500,000
14 residences in Hong Kong, and to over 50,000 households in
15 Manitoba, Canada.

16 Closer to home, a number of telephone companies
17 are offering video services using this next-generation
18 platform that have been very well received by consumers in
19 their area including SureWest Communications in California
20 and Consolidated Communications in Illinois.

21 And recently, AT&T launched their U-Verse TV
22 offer in San Antonio and announced plans to roll out their
23 digital video services to cities across their nationwide
24 footprint.

25 This brings me to my second point which is how

1 residents of Oahu will benefit from the DCCA approving
2 Hawaiian Telcom's application for a cable franchise.

3 If Hawaiian Telcom is allowed to provide video
4 services to consumers on Oahu, it will represent a
5 fundamental shift in the balance of power in the video
6 services market away from the incumbent cable company
7 toward the consumer.

8 This is because the residents of Oahu would
9 now, for the first time, have a real choice of video
10 service providers. Because of the state's topography of
11 mountains and valleys, it is difficult for most consumers
12 to receive TV broadcasts over the airwaves. This is
13 evidenced in May's TV ratings report from Nielsen Media
14 Research which indicates that 94 percent of the households
15 on the island of Oahu that have a TV, subscribe to cable
16 TV service.

17 For those who live on the mainland, they have
18 direct broadcast satellite providers such as Dish or
19 DirecTV as viable alternatives to their cable company.

20 In fact, according to a 2006 FCC report on
21 video competition, direct broadcast satellite accounts for
22 27 percent nationally of all the consumers that subscribe
23 to paid video programming.

24 On Oahu that figure is substantially lower in
25 the single digits. That's because the direct broadcast

1 satellite footprint is targeted to serve North America,
2 and is too low on the horizon to be a suitable alternative
3 for many Hawaii consumers.

4 Hawaiian Telcom's application for a cable
5 franchise holds the promise of consumers in Hawaii finally
6 experiencing what consumers on the mainland have enjoyed,
7 namely, effective competition. With effective competition
8 consumers will have the ability to choose and change
9 providers.

10 In other words, the consumer will drive the
11 market. Competing providers will be challenged to best
12 meet the demands of consumers whether they are in the area
13 of programming options, service quality, or the value of
14 the service.

15 While Hawaiian Telcom recognizes that Oahu
16 already has a well-entrenched incumbent provider, we
17 believe that consumers long for a choice and will be open
18 to a viable alternative which we will be.

19 To that end, Hawaiian Telcom will be bringing
20 high quality, all-digital video and audio programming to
21 every TV in the household.

22 As in any competitive market, our success will
23 be based on our ability to offer a combination of
24 programming, features, service and pricing that provide
25 the value that will be responsive to the demands of

1 Hawaii's consumers.

2 Hawaii also has the opportunity to be among the
3 leaders in the next generation network deployment.
4 Hawaiian Telcom is prepared to make this investment in
5 Hawaii much earlier than it would have been with the
6 Company's previous owner.

7 This investment in Hawaii to provide the state
8 with an opportunity to continue as a leader in the digital
9 age is consistent with the other recent changes by
10 Hawaiian Telcom which has resulted in increased
11 investment, job creation and a local focus by the Company.

12 Those changes also include the Company's
13 investment of \$100 million in new back office systems
14 created specifically for Hawaii. The transition to those
15 new systems continues to progress.

16 Upgrades to the systems to expand their
17 functionality as planned and to address any service issues
18 are continuing and will be ready to support our video
19 service operations by the time of its launch.

20 In closing, Hawaiian Telcom is pleased to
21 provide consumers for the first time with the ability to
22 choose between video service providers. The increased
23 competition in the video service market will result in a
24 fundamental shift in the video services market which will
25 benefit Hawaii and its consumers.

1 Entering a market with a well-entrenched
2 incumbent is a significant challenge. But it is a
3 challenge Hawaiian Telcom is prepared to commit resources
4 and capital to so that Hawaii's consumers can have the
5 same benefits of competition that consumers in other
6 states are enjoying.

7 While we are committed to being a video
8 services provider in Hawaii, we are also committed to
9 listening to the community on what its needs are and how
10 those needs can be balanced with the initial start-up of a
11 new entrant.

12 We believe our plan for video service as
13 proposed is consistent with the needs communicated to the
14 Company, the technology that makes this competitive option
15 possible, and the state's cable franchise requirements,
16 including the need for public access channels.

17 We expect to continue our listening today and
18 during the remainder of the process to obtain approval for
19 our application for a cable franchise.

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

24 MR. SONOBE: Thank you, Mr. Matsunaga. We'll
25 start with the public comments now. Laurie, could you

1 read the first.

2 MS. WONG: Jim Tollefson.

3 MR. TOLLEFSON: Mr. Sonobe, my name is Jim
4 Tollefson, the president of the Chamber of Commerce of
5 Hawaii. The Chamber of Commerce of Hawaii supports
6 Hawaiian Telcom's application for cable television
7 franchise for Oahu.

8 The Chamber has read information regarding
9 Hawaiian Telcom's proposed IPTV service and believe it
10 will bring additional capital investment and competition
11 to Oahu that will benefit our economy and its consumers.

12 Over the past several years we've all been able
13 to observe firsthand the explosion and innovation of new
14 products and services in the communications market.
15 Competition in this market has driven the introduction of
16 communication and entertainment services and technology
17 development.

18 Consumers on Oahu now have the opportunity, if
19 granted by the DCCA, to have more choices in this market
20 through cable video service providers.

21 As a result this competition will drive all
22 providers of video service to more fully meet the needs of
23 Oahu's consumers through the continued development and
24 deployment of new technology.

25 Furthermore, consumers will have the

1 opportunity to continue to benefit from state-of-the-art
2 networks and with these advances in technology. These
3 services have become an integral part of our everyday
4 lives is business operations, and continued competition
5 will meet consumer demands and enhance the state's
6 economy.

7 For these reasons the Chamber of Commerce of
8 Hawaii respectfully requests that the DCCA move to approve
9 this application so that Oahu's residents will have the
10 opportunity to choose from a competitive market. Thank
11 you for the opportunity to testify.

12 MR. SONOBE: Thank you, Mr. Tollefson. It
13 appears that we have approximately 25 people who signed up
14 to testify. Based on that number if I can ask all of you
15 to limit your comments to three minutes, I think we will
16 be able to get through everyone within a reasonable time.
17 If people require more time we will bring them back up
18 later. But if you can limit your initial comments to
19 three minutes it will be greatly appreciated.

20 We've been asked by our reporter if you could
21 speak up because these microphones are apparently here
22 only for the cameras. We don't have a speaker system in
23 the room. So as you testify if you could speak up louder
24 it will make it easier for our court reporter. If you can
25 keep that in mind. Thank you.

1 MS. WONG: The second speaker is Brian Kang.

2 MR. KANG: Good afternoon, Mr. Sonobe, members
3 of the public. My name is Brian Kang. I'm here today
4 representing Oceanic Time Warner Cable.

5 Oceanic appreciates this opportunity to provide
6 comments to the Department of Commerce and Consumer
7 Affairs regarding Hawaiian Telcom's application. We have
8 submitted written comments to the Department.

9 But just briefly for this oral presentation,
10 Oceanic welcomes fair competition and believes that
11 consumers ultimately benefit from the ability to make
12 informed choices.

13 Securing those benefits to consumers in a
14 regulated environment, however, requires a level playing
15 field for all participants.

16 Accordingly, Oceanic believes that the DCCA in
17 considering and evaluating Hawaiian Telcom's application
18 should ensure simple fairness in the marketplace by
19 applying comparable franchise requirements and standards
20 to Hawaiian Telcom as it has applied to Oceanic.

21 Since its current Oahu franchise was awarded in
22 1989 Oceanic has invested considerable resources and
23 provided substantial benefits to our community in
24 compliance with the franchise requirements.

25 Oceanic, for example, has provided on Oahu

POWERS & ASSOCIATES (808) 536-2001

1 buildout of service to all areas on Oahu, INET fiber
2 connections to 66 data sites, systematic upgrades to the
3 Oceanic system.

4 To ensure consumers receive the benefits and a
5 fair and effective competition for a level playing field,
6 Oceanic believes that the DCCA should fully consider and
7 vet the following issues that are raised by Hawaiian
8 Telcom's application.

9 Hawaiian Telcom proposes to utilize high-speed
10 internet access service to provide digital video services.
11 The DCCA should carefully evaluate Hawaiian Telcom's plans
12 and timetable regarding the buildout of the necessary
13 upgrades.

14 The DCCA should further evaluate how the limits
15 inherent in the underlying DSL technology will affect the
16 service areas.

17 Oceanic also believes that Hawaiian Telcom
18 should be required to provide its video service in all
19 areas of its existing telephone service footprint where
20 the 25 homes per mile line extension standard of Oceanic's
21 franchise is met pursuant to a reasonable schedule.

22 Due to the different nature of the technology
23 employed Hawaiian Telcom has not proposed to provide
24 analog service. While Oceanic's franchise currently
25 requires such service, Oceanic anticipates that if it

1 seeks to modify this requirement in the future the DCCA
2 will carefully and fairly consider the request.

3 Hawaiian Telcom's application also proposes to
4 provide the credit to the DCCA equal to 1 percent of
5 gross revenues and the DCCA shall use those credits to
6 purchase network products and services from Hawaiian
7 Telcom.

8 Oceanic believes that the DCCA should carefully
9 evaluate the proposed arrangement. Oceanic has provided
10 significant INET investments and contributions without a
11 credit and purchase arrangement. Oceanic believes that
12 Hawaiian Telcom should be required to provide comparable
13 services and resources to benefit the state and local
14 community.

15 Although Hawaiian Telcom has indicated that it
16 will adhere to the operating fee payment structure defined
17 by the DCCA for PEG funding, Hawaiian Telcom should also
18 be required to provide funding to 'Olelo, Public
19 Television and the DCCA consistent with the requirements
20 imposed by Oceanic, or Oceanic should be relieved of these
21 obligations.

22 Hawaiian Telcom has not committed to specific
23 PEG capital funding levels. However, Oceanic has provided
24 capital funding of \$823,000 per year and comparable amount
25 should be required of Hawaiian Telcom.

1 Hawaiian Telcom has indicated that it will be
2 utilizing its current customer support infrastructure to
3 support its video service.

4 Oceanic currently works with the DCCA to
5 jointly design and employ customer service survey once per
6 year. Oceanic believes that the DCCA should require
7 similar customer service monitoring and evaluation of
8 Hawaiian Telcom.

9 The foregoing are some of the major issues that
10 Oceanic believes that the DCCA should evaluate. In
11 responding to the DCCA's first request for information
12 Hawaiian Telcom has argued that the DCCA should apply
13 different standards for Hawaiian Telcom than the standards
14 imposed upon Oceanic.

15 Hawaiian Telcom argues that this different
16 treatment is justified because, first, it will not create
17 additional burdens or impositions on the public
18 right-of-way.

19 Second, Hawaiian Telcom's decision to use
20 different technologies justifies different treatment.

21 And third, the requirements imposed upon
22 Oceanic were the quid pro quo for the privilege of being
23 the first entrant into the market.

24 As an initial matter Hawaiian Telcom argues
25 that it believes that IPTV is not a cable service subject

1 to the state cable franchise statutes.

2 Oceanic believes that pursuant to Hawaii 440
3 (g) that Hawaiian Telcom is subject to regulation. In
4 addition, other jurisdictions have determined that video
5 services similar to IPTV are subject to cable franchise
6 statutes. For example, the recent case of Pacific
7 Telephone Company versus the City of Walnut Creek.

8 For a discussion of why Oceanic also believes
9 that Hawaiian Telcom provides video services or cable
10 service under federal law, Oceanic refers the DCCA to the
11 filings at the FCC by the National Cable and
12 Telecommunications Association Docket No. 04-36.

13 Having submitted an application for a franchise
14 to provide cable service Hawaiian Telcom's decision to use
15 different technology to provide its service does not
16 justify franchise with regulatory requirements which will
17 effectively discriminate against Oceanic.

18 The benefits that Oceanic's franchise provides
19 to students, the government and potential subscribers in
20 areas meeting the density standard are not tied to the
21 technology that Oceanic uses to provide its service.

22 In addition while Hawaiian Telcom has argued
23 that it will not require the use of any new public
24 right-of-way to provide its video service, the fact is
25 that Hawaiian Telcom will use public rights-of-way in

POWERS & ASSOCIATES (808) 536-2001

1 providing its service.

2 Thus, while Oceanic recognizes that Hawaiian
3 Telcom is already subject to various regulatory
4 requirements, Hawaiian Telcom is now seeking to provide a
5 video service regulated by the DCCA through those
6 rights-of-way. And the regulatory treatment of service
7 must be fair and equitable.

8 Finally, Hawaiian Telcom's argument that the
9 new entrant into the video television business should be
10 afforded, quote "less burdensome requirements" is
11 unpersuasive.

12 The obligations imposed in Oceanic's franchise
13 are not conditioned on its size. It is not the role of
14 the DCCA to handicap competition by seeking to compensate
15 in circumstances which provide a perceived competitive
16 advantage or disadvantage to one competitor or another
17 through regulatory treatment. Any such attempt would
18 distort rather than encourage fair competition.

19 Thus, lost in Hawaiian Telcom's efforts to seek
20 expediency through going through this process it is a
21 practical reality that the true benefits of competition to
22 consumers and the community arise from a level playing
23 field.

24 Simply stated, Oceanic is not requesting that
25 the DCCA impose any more burdensome requirements upon

1 Hawaiian Telcom than imposed upon Oceanic or even to
2 require precisely identical requirements.

3 Oceanic believes, however, that Hawaiian
4 Telcom, that substantially comparable competitively
5 non-discriminatory requirements upon Hawaiian Telcom will
6 ensure effective and robust competition for the benefit of
7 Oahu's consumers and community.

8 Thank you again for this opportunity to provide
9 comments.

10 MR. SONOBE: Thank you, Mr. Kang. Just as a
11 reminder we do have quite a bit of people waiting to
12 testify. So again if you can please limit your comments
13 to three minutes that will be appreciated by all
14 attendees. Thank you.

15 MS. WONG: The third person is Edward Murley.

16 MR. MURLEY: Aloha, Mr. Sonobe. By name is
17 Edward Murley. I'm the vice president of regulatory
18 affairs for Time Warner Telecom. Time Warner Telecom is a
19 national competitive telecommunications carrier with
20 operations in 44 markets across the United States.

21 Time Warner Telecom has been providing
22 competitive telecommunication services in Hawaii since
23 1994. Today we serve hundreds of large business,
24 governmental agencies and other telecom carriers
25 throughout the state. We are a facilities-based

1 competitor and own and operate an extensive fiberoptic
2 network on Oahu and an interisland fiberoptic system
3 connecting Kauai, Oahu, Maui and the Big Island.

4 Time Warner Telecom offers a suite of
5 telecommunications solutions and services to Hawaii's
6 business community. Our primary competitor is Hawaiian
7 Telcom.

8 Time Warner Telecom is not the cable company
9 and we do not offer Road Runner, Internet service or
10 digital phone services. Those are services provided by
11 Oceanic Time Warner Cable.

12 While it originally began as a subsidiary of
13 cable, the company was spun off in 1997 to become a
14 publicly traded stand-alone company.

15 Today our financial relationship with cable has
16 decreased to the point where Time Warner Cable's parent,
17 Time Warner, Inc. has now just a 28 percent increase, that
18 amount of interest in Time Warner Telecom.

19 As a general principal Time Warner Telecom
20 supports competition. We exist for competition's sake.
21 Over the last decade or so Time Warner Telecom has
22 successfully pursued a number of public policy goals in
23 the federal and state arenas, including Hawaii.

24 The state has embraced a number of the laws,
25 rules, regulations and tariffs that have made telecom

1 competition possible. Time Warner Telecom very much
2 believes that when properly done competition can bring
3 consumers a great range of benefits and that in general
4 service quality and customer choice improve while retail
5 prices decrease as a result of the competition.

6 Hawaiian Tel's desire to enter into the cable
7 television is not unique to Hawaii. In most of these
8 situations across the country Time Warner Telecom does not
9 take a position on the local telephone company's
10 applications to get into the cable business. Time Warner
11 Telecom generally doesn't care about such plans. We are
12 simply in the business of providing competitive telecom
13 solutions.

14 However, as you're likely aware, Hawaiian
15 Telecom is going through a very tumultuous systems
16 conversion. On April 1st Hawaiian Telcom changed
17 virtually all of their back office systems and processes.

18 The magnitude of the transition cannot be
19 understated and it may even be the first time a large
20 incumbent telephone company has undertaken such an
21 extensive endeavor all at once.

22 In creating the new company Hawaiian Telcom
23 chose to take on a very aggressive and daunting task, one,
24 perhaps, more difficult than even entering the cable
25 business.

1 Hawaiian Telcom's conversion has not gone
2 well. Some of these problems are fairly well known by the
3 various press reports and to any customer who has received
4 a bad bill from Hawaiian Telcom or has had to wait on hold
5 for 20 to 30 minutes to report a problem or has
6 inadvertently had their service interrupted because of the
7 problems.

8 Time Warner Telcom has experienced all of these
9 problems as well. Some of the problems Time Warner
10 Telecom is experiencing as a result of Hawaiian Telcom
11 systems conversions are less well-known.

12 Many people are not aware that even as a
13 facilities-based competitor with our own network Time
14 Warner Telecom necessarily relies on Hawaiian Telcom for a
15 number of critical things, matters which Hawaiian Telcom
16 is required by state and federal laws to provide to
17 competitors.

18 In its docket 04-0140 the Public Utilities
19 Commission ultimately approved the sale from Verizon to
20 the Carlisle Group to create what is now Hawaiian Telcom.
21 As part of its decision and order approving the sale the
22 PUC also approved an agreement, a stipulation, between
23 Time Warner Telecom and Hawaiian Telcom which guaranteed
24 certain things to Time Warner Telecom.

25 The basic principal of this agreement was

POWERS & ASSOCIATES (808) 536-2001

1 simple. Hawaiian Telcom would provide the same
2 functionality that Verizon provided before the cutover.
3 While the commitment was simple, it was significant.

4 Time Warner Telecom cannot afford to be harmed
5 by Hawaiian Tel's desire to change out its entire suite of
6 back office systems. The commitment is also important to
7 the state in its efforts to continue to support telecom
8 competition. And, thus, our agreement was approved and
9 even expanded upon by the commission.

10 Time Warner Telecom does not believe that
11 Hawaiian Telcom has met its commitments in that agreement.
12 The purpose of my testimony today is to inform the
13 Department that our telecom concerns are being
14 investigated by the Commission and that the companies are
15 involved in almost daily conversations some of which take
16 place at the highest executive levels to try to resolve
17 these problems as fast as possible.

18 However, Time Warner Telecom continues to
19 experience extensive difficulties some four months after
20 the cutover. Thus, we feel it necessary to take the
21 unusual step of commenting on their application before the
22 Department.

23 We strongly believe that Hawaiian Telcom must
24 first prove that it has complied with the promises it made
25 before it can go on to new business. Given its limited

POWERS & ASSOCIATES (808) 536-2001

1 amount of economic, technical and human resources,
2 Hawaiian Telcom's priorities must remain solely on fixing
3 the problems with its Telcom business.

4 we do not believe Hawaiian Telcom should even
5 be working on new telecom products and packages, let alone
6 on far-reaching and cutting edge endeavors such as IPTV.

7 Therefore, Time Warner Telecom recommends that
8 the department postpone any approval of Hawaiian Telcom's
9 plan for entering the television business until such time
10 that the PUC finds that Hawaiian Telcom has complied with
11 its numerous commitments made during the process of being
12 sold off by Verizon.

13 Hawaiian Telcom promised the Commission, the
14 competitors, and the state that it could handle its
15 standalone responsibilities without Verizon's assistance.
16 We have not seen Hawaiian Telcom prove those capabilities
17 yet.

18 Time Warner Telecom certainly does not believe
19 that the state should now award Hawaiian Tel with a cable
20 franchise. Hawaiian Telcom must first demonstrate that
21 they have kept their promises from 2005. Thank you very
22 much for this opportunity to testify and to provide Time
23 Warner Telecom's perspective on this matter.

24 MR. SONOBE: Thank you, Mr. Murley.

25 MS. WONG: The fourth person to testify is

1 Theresia McMurdo.

2 MS. McMURDO: Good afternoon, Mr. Sonobe. My
3 name is Theresia McMurdo. And I'm here today as the
4 vice-chair of the Filipino Community Center. The Filipino
5 Community Center supports Hawaiian Telcom's application
6 for a cable television franchise for Oahu.

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

13 In my role as a community volunteer I know
14 Hawaiian Tel as a strong supporter of the community
15 through its charitable giving programs. This tradition of
16 giving dates back over a century. We believe that support
17 for Hawaiian Telcom's proposed IPTV service will allow the
18 company to continue to give back to the community for the
19 next 100 years.

20 Approval of this application is good for
21 consumers, the company and our community. Please support
22 Hawaiian Telcom's application for a cable television
23 franchise. Thank you.

24 MR. SONOBE: Thank you, Ms. McMurdo.

25 MS. WONG: The fifth person to sign up is Keith

POWERS & ASSOCIATES (808) 536-2001

1 Rollman.

2 MR. ROLLMAN: Good afternoon everybody. I'm
3 Keith Rollman. I'm a senior advisor to the Department of
4 Information Technology of the city and county of Honolulu.
5 We've been asked to prepare some testimony which we're
6 submitting in writing. We will stand on our written
7 testimony.

8 It was to advise the Mayor essentially on
9 policy issues regarding the city's position in this
10 matter. I'm not going to read the whole thing, but I will
11 give you the gist of it.

12 We, of course, support the concept of free
13 market competition and we, therefore, support Hawaiian
14 Telcom's intent to enter the Honolulu cable video market.
15 We'll also have an obligation and a responsibility to the
16 citizens of the city and county of Honolulu to participate
17 in a benefits package for the community with the state.

18 There is a historical precedence for this. In
19 fact in 1992 as part of a negotiated settlement between
20 the state and city and county and Oceanic Cable the city
21 was granted dedicated use of two strands of fiberoptic
22 cable.

23 So that's a specific example of how the city
24 and county has participated in the negotiation of public
25 benefits of these franchise agreements although we were

POWERS & ASSOCIATES (808) 536-2001

1 not the franchise grantor we are also the island of Oahu
2 in terms rights-of-way and certain building permitting
3 processes.

4 So we wanted to make sure we're included in
5 that process. I'm sure we can reach an agreement that's
6 fair to all parties especially to the taxpayers of
7 Honolulu who in turn are the present and future customers
8 of Hawaiian Telcom. With that expectation we support
9 Hawaiian Telcom's application for a cable franchise to
10 operate in the city and county of Honolulu.

11 MR. SONOBE: Thank you Mr. Rollman.

12 MR. ROLLMAN: Thank you.

13 MS. WONG: The sixth person to sign up is Scot
14 Long.

15 MR. LONG: Good afternoon, Mr. Sonobe. My
16 name is Scot Long. I'm the business manager, financial
17 secretary of the International Brotherhood of Electrical
18 Workers Local Union 1357 which represents the bargaining
19 unit employees of Hawaiian Telcom, Incorporated.

20 On behalf of IBEW Local Union 1357 I would like
21 to testify in strong support of Hawaiian Telcom's
22 application for a cable television franchise in Oahu.
23 IBEW Local Union 1357 believes that Hawaiian Telcom's
24 proposed video service will benefit our state by infusing
25 additional capital investment in the island and creating

1 more job opportunities in Hawaii.

2 IBEW Local Union 1357 is not only proud of its
3 long history of actively supporting new advancements in
4 the communications field that have resulted in Hawaii
5 being a leader in telecommunications infrastructure, but
6 also of the opportunities created for greater employment
7 security or job growth for our current and future union
8 members.

9 IPTV is a technology we support because
10 competition in the video service market means consumers
11 will now have a choice in deciding which video service
12 provider provides the best products and services to fit
13 their needs.

14 When IPTV becomes available please be assured
15 that our members will be fully committed to providing the
16 quality service that consumers expect and will demand from
17 this innovative, new offering.

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

24 For these and other reasons IBEW Local Union
25 1357 respectfully requests that the Department of Commerce

1 and Consumer Affairs move to approve Hawaiian Telcom's
2 application as soon as possible and without any conditions
3 that may unreasonably delay or jeopardize the introduction
4 of these services to Oahu's residents.

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

7 MR. SONOBE: Thank you, Mr. Long.

8 MS. WONG: Number seven is J Robertson.

9 MR. ROBERTSON: Good afternoon, Mr. Sonobe.
10 I'm J Robertson. I'm the executive director for Ho'oike
11 Kauai Community Television.

12 On the Garden Isle we have no objection to a
13 cable franchise agreement with Hawaiian Telcom provided
14 that provisions or compensation for use of public
15 rights-of-way are ensured. Specifically we support
16 language that would preserve the interests of public
17 education and government access to this band width.

18 It's imperative, however, that IPTV is treated
19 the same as cable television despite the very interesting,
20 innovative technological differences.

21 Rights-of-way compensation are clearly within
22 our public interest and they assure a playing field for
23 all parties. The citizens of Oahu and throughout the
24 state of Hawai'i are entitled the opportunities that PEG
25 access clearly provides. First we'd like to have a clear

1 indication of support of PEG which was encouraging to hear
2 earlier. And this must be part of any framework.

3 This support should include a franchise fee
4 payment of up to 5 percent of the gross revenues, same as
5 applies to Oceanic Time Warner.

6 We would suggest that no less than 3 percent
7 be paid to the PEG access provider annually for operating
8 fund. We would also support 1 percent to be provided to
9 Hawaii Public Broadcasting, another 1 percent to the DCCA
10 for administrative costs.

11 Second, we'd like to see a negotiated annual
12 capital contribution to be provided in addition to the
13 operating funds. This amount should be no less than what
14 is currently offered by the current cable operator.

15 Third, a provision for channel capacity or in
16 the entrance of IPTV digital band width. This allocation
17 should be equal to or even possibly greater than the
18 current amount that is provided by the existing operator.

19 It also should allow for the expansion of these
20 systems and for future deployment of additional
21 technologies. We would hope that these channels would be
22 in consecutive order.

23 Connectivity to the band width should be
24 clearly defined as the responsibility of the cable
25 operator and not at the expense of the PEG access

1 organization. And in no case should the PEG provider be
2 forced into becoming a paying customer of the operator.
3 All connections, lines, equipment and whatever is needed
4 to access the cable system should be at the operator's
5 expense and provided to the PEG and to the community at
6 large.

7 We'd also like to recommend that the cable
8 operators provide live points of origin. This provision
9 would enhance the ability to produce important remote
10 broadcasts for the benefit of our communities. The
11 existing cable operator has several live origination
12 points throughout Oahu and we would like to see the
13 applicant be required to provide an equal number of these.

14 Also required for the buildout and deployment
15 of the institutional network or INET should be a component
16 of this agreement. This provision would parallel the
17 current requirements and possibly even seek to provide an
18 expansion of this marvelous service to our community.

19 Finally, it's hoped that these suggestions are
20 deemed to be a measure of practical responsibility on the
21 part of the Applicant. And building community through
22 media and through communication is a vital mission that we
23 all share. The benefits that are derived from the use of
24 our public rights-of-way are vast and extremely
25 profitable. So the appreciation for the use of these

POWERS & ASSOCIATES (808) 536-2001

1 gains is simply an appropriate corporate citizenship at a
2 very basic level. Thank you very much.

3 MR. SONOBE: Thank you, Mr. Robertson. Laurie,
4 before we continue, I'd like to call a 5-minute recess so
5 we could give our court reporter a break. It's been about
6 45 minutes. So if we could reconvene in about 5 minutes.
7 Thank you.

8 (Recess was held.)

9 MR. SONOBE: Excuse me. If we can all get
10 seated we'd like to start.

11 MS. WONG: The eighthh person to sign up is Don
12 Poole.

13 MR. POOLE: Mr. Sonobe, I'm please to let me
14 speak tonight. I don't have a fancy title. I'm just a
15 common consumer, but I had the pleasure of retiring from
16 one of the best service organizations in the world.

17 I would like to support the approval by the
18 Department of Commerce and Consumer Affairs of Hawaiian
19 Telcom's application for cable television franchise for
20 Oahu. I believe that Hawaiian Telcom's new video service
21 will resort in increased competition in the Oahu market
22 that will benefit consumers.

23 Today there is a monopoly in video service. I
24 believe that we need competition since this will mean more
25 choices for me and lower prices since I will be able to

1 choose a company based on services and prices to fit what
2 I want to watch.

3 I was once an Oceanic Time Warner Cable
4 subscriber and received the worst possible service one
5 could ever imagine. I once placed a service call because
6 I was receiving no signal. After waiting two weeks for a
7 service person to arrive, he spent 10 minutes in my unit
8 and the cable came back on. So he informed me I just had
9 a loose wire. Within 10 minutes after he left my service
10 went out again.

11 I immediately called Oceanic Cable and let them
12 know the service person was still close by and I was still
13 getting no signal. They said I would have to make a new
14 service call. I again waited two weeks for a service
15 person to arrive. I listed and detailed the problem and
16 what had been done so far. I had been without service for
17 one month by this time.

18 He went to the junction box outside my unit,
19 replaced the connector that required 10 minutes of work.
20 The day after the service person left I took all my
21 Oceanic Cable equipment to the Oceanic Oceanic Time Warner
22 desk at Sears and said, "I never wanted to do business
23 with you again period."

24 I have a legal satellite dish on my lanai. I
25 receive excellent service with one year contract and I now

1 own the equipment including DVR. The reception is
2 excellent. And the equipment has worked flawlessly for
3 three years now. I could not be happier. Not every condo
4 owner has this option as most lanais are either too small
5 or face the incorrect direction or something obstructs
6 their view of the horizon. I was lucky.

7 At this time I have to resolve a new challenge.
8 Hawaiian Telcom allowed me to upgrade my dial-up service
9 to high-speed DS line with excellent service. The problem
10 now is I have a satellite dish television; I have a
11 telephone land line and DSL and cellphone service through
12 Hawaiian Telcom.

13 If they could supply me with a high quality
14 television through my DSL line I could eliminate the cost
15 of the satellite dish and hopefully create a package to
16 supply me with television, telephone, cellphone, DSL at a
17 price lower than Oceanic or satellite.

18 Let's have some competition. Oceanic Time
19 Warner Cable service personnel are arrogant. They feel
20 they have a monopoly. As a customer we have no choice.
21 Choice is the key word here.

22 I urge you not to delay this application.
23 Please place the power of choice in the hands of the
24 consumer. Let us through competition choose which company
25 has the best innovative products and services at the most

1 affordable prices. Thank you very much for allowing me
2 the opportunity to present this testimony.

3 MR. SONOBE: Thank you, Mr. Poole.

4 MS. WONG: The next person to sign up to
5 testify is number 11, Jane Sugimura.

6 MS. SUGIMURA: Good afternoon, Mr. Sonobe. My
7 name is Jane Sugimura. I'm the president of the Hawaii
8 Council of Associations of Apartment Owners. That's known
9 as HCAAO. HCAAO represents 110 apartment associations.
10 This is condo and co-op in Oahu. That covers almost
11 29,000 individual units.

12 Most, if not all, of our member associations
13 have been involved over the years in negotiating the best
14 service package, and service and cost package for the
15 cable television service for the residents in their
16 buildings. So they're very interested in this
17 application.

18 HCAAO supports Hawaiian Telcom's application
19 for a cable television franchise for Oahu. We believe,
20 and I am going to summarize my statement in the interest
21 of time and at your suggestion.

22 MR. SONOBE: Thank you.

23 MS. SUGIMURA: We do support the application.
24 We believe that with more competition it may affect cost
25 and services to the consumers. And in our case they are

1 apartment owners. For that reason we do urge the DCCA to
2 approve Hawaiian Telcom's application. Thank you.

3 MR. SONOBE: Thank you, Ms. Sugimura.

4 MS. WONG: The next person to sign up No. 12 is
5 Keali'i Lopez.

6 MS. LOPEZ: Aloha Mr. Sonobe. I'm Keali'i
7 Lopez, president and CEO of 'Olelo Community Television,
8 Oahu's public, educational and government access provider.

9 In addition to my comments today, 'Olelo will
10 submit more detailed written testimony on the topics I
11 will touch upon.

12 As Oahu's paid access provider 'Olelo serves
13 cable subscribers by providing them with a view of what's
14 happening in their community, extensive educational
15 programming and insight into their state and local
16 governments.

17 We also serve our producers and presenters by
18 offering them access to their communities via cable
19 television. I want to start with thanking Hawaiian Telcom
20 for its continued offer to support PEG access. The items
21 I'm going to touch upon really are in an attempt to secure
22 and reassure through DCCA's franchise negotiations that
23 those are protected.

24 DCCA was very forward thinking in their
25 franchise negotiations with Oceanic Time Warner and worked

1 to ensure considerable community access and benefits.

2 Our goal with respect to Hawaiian Telcom's
3 franchise request is to ensure that similar forward
4 thinking and support for PEG access be continued and
5 expanded upon.

6 It's important that subscribers to that system
7 and those who use PEG access service receive services that
8 are at least comparable to those provided by Oceanic Cable
9 and that our producers and presenters continue to enjoy
10 access to the largest possible audience for their
11 messages.

12 'Olelo receives much of its funding through
13 cable franchise fees required of Oceanic Cable and passed
14 through to cable subscribers. Three percent of Oceanic's
15 gross revenues as defined by the DCCA go to covering
16 'Olelo's operating expenses. While an additional \$3 per
17 subscribe annually goes to capital funds.

18 We ask that Hawaiian Telcom at minimum be
19 required to provide the same 3 percent of gross revenues
20 and \$3 per customer. These revenues should not be capped.
21 It is foreseeable and probably inevitable that the
22 increased competition between Oceanic and Hawaiian Telcom
23 will lead to the reduction in prices.

24 Because 'Olelo's funding is a reflection of the
25 cable company's gross revenues, the increased competition

POWERS & ASSOCIATES (808) 536-2001

1 may in turn lead to reduction of our funding. Removing
2 the cap will allow us greater flexibility in the near
3 future. It will also permit 'Olelo to continue to offer
4 services that match the changing needs of our clients and
5 our communities in the long term.

6 Hawaiian Telcom services as part of an IPTV
7 network rely on technology that are very different from
8 those employed by a traditional cable television system.
9 'Olelo needs to ensure that the application of these new
10 and different technologies do not present barriers to our
11 entry into the Hawaiian Telcom system.

12 Consequently, we request that Hawaiian Telcom
13 provide to 'Olelo the necessary hardware/software
14 connections to allow us entry into and complete
15 functionality within their system.

16 Included in those connections would be
17 dedicated fiber and hardware that will allow us to get
18 video feeds from our playback facility to their head end.

19 Because 'Olelo services are community based we
20 are often asked to originate live programming from various
21 locations on Oahu. Oceanic Cable helped facilitate these
22 productions by providing 16 fiberoptic origination points
23 at various locations around the island.

24 We ask that Hawaiian Telcomp be required to
25 provide origination points in places specified by 'Olelo

1 or the DCCA and we would also request that 'Olelo retain
2 the ability to move those points as necessary to serve the
3 community needs.

4 We also request a mechanism and process be in
5 place to add sites in the future, again, in an effort to
6 provide flexibility to meet changing community needs.

7 To assist with viewer transition to Hawaiian
8 Telcom's services we ask for Hawaiian Telcom's assistance
9 in promoting 'Olelo's programming on their channels.

10 In addition it is vital that 'Olelo be made
11 part of Hawaiian Telcom's programs listing services
12 wherever they appear with no less prominence than any
13 other Oahu local station.

14 It is also important that Hawaiian Telcom offer
15 community access programming in a way that does not
16 negatively impact our viewers or presenters. We request
17 an adequate band width to carry the equivalent of six
18 analog channels currently delivered on Oceanic Cable, and
19 request formal process to trigger the addition of band
20 width based on hours of programming.

21 We also ask that the quality of signal
22 delivered of each of these channels is at least equivalent
23 to signal quality of Hawaiian Telcom's other channels. We
24 request that community access programming be part of
25 Hawaiian Telcom's basic tier service to ensure that we're

1 available to the greatest number of subscribers.

2 In addition we request that PEG access, channel
3 assignment be grouped consecutively in a lower tier of
4 channels in order to be blended with other local channels.
5 This will benefit subscribers by creating a reasonable
6 continuum of local programming while benefitting our
7 producers and presenters with increased likelihood of
8 viewership.

9 The IP technology that Hawaiian Telcom will
10 employ in its video services in itself reflects the fact
11 that television is changing and that the traditional ways
12 of receiving and viewing television are no longer the only
13 ways.

14 'Olelo would like Hawaiian Telcom's franchise
15 to reflect this by providing video on demand capability to
16 community access programs for all subscribers, to local
17 PEG access producers and presenters. This would be in
18 conjunction with the band width capacity I spoke of
19 earlier.

20 We recognize that Hawaiian Telcom's cable
21 franchise is likely to span many years and that the
22 technologies and offerings available today will change
23 over time. Therefore we request that the DCCA include a
24 formal process for increasing distribution capacity,
25 services and equipment over the life of the franchise.

POWERS & ASSOCIATES (808) 536-2001

1 This is key to enabling the forward thinking provisions
2 the state has had in place for the past 17 years. And in
3 fairness the same consideration should apply when Oceanic
4 Time Warner Cable's franchise is renegotiated in the
5 coming years.

6 In closing, we believe that the introduction of
7 this new television technology into our community could be
8 beneficial. My purpose today has simply been to ensure
9 that when the franchise is granted that community access
10 programming will have a prominent place in Hawaiian
11 Telcom's offerings, and that the DCCA enable flexibility
12 in Hawaiian Telcom's franchise to ensure that this
13 franchise, when granted, does not represent a ceiling of
14 PEG access provisions to be required of Ocean Time Warner
15 Cable. This is necessary so that our long-standing
16 tradition of service can continue for our producers and
17 presenters and the community at large. Thank you for your
18 time.

19 MR. SONOBE: Thank you, Ms. Lopez.

20 MS. WONG: The next is number 13 Sparky
21 Rodrigues.

22 MR. RODRIGUES: Aloha. Thank you for having
23 me. I've used PEG access at 'Olelo Community Television
24 to help build a stronger community. Using 'Olelo
25 Community Television resources in under-served and

1 under-represented communities has given them a chance to
2 have a voice, gain skills, create teams and solve
3 community problems.

4 Youth from elementary, middle, high school,
5 kupuna and issues that never get reported on network or
6 main stream media have all had a voice with PEG access via
7 'Olelo Community Television.

8 On a personal note, companies that give back to
9 the community in a meaningful and responsible way gets my
10 business and loyalty. As a customer I always look for the
11 best value measured against the best company.

12 I'm currently a customer of Oceanic as well as
13 Hawaiian Telcom. I tried to get more services from
14 Hawaiian Telcom but could not be served where I live and
15 Oceanic provided the service.

16 I could have gone to a cheaper satellite system
17 for services. But because Oceanic gives back by providing
18 funds to PEG community access television I chose Oceanic.

19 Hawaiian Telcom has since upgraded services in
20 the community but have not convinced me to switch yet.
21 Satellite services do not give back to the community by
22 supporting PEG community access so they will never get my
23 business.

24 Also I lost a lot of respect for Oceanic when
25 they cut the Internet funding support to PEG community

1 access. Add the Internet revenues to Hawaiian Telcom's
2 support package in your give-back and I'll sign up
3 tomorrow.

4 What I'd like to see in the franchise agreement
5 match or exceed what Oceanic is currently funding PEG
6 community access. Exceed in the, in a meaningful way what
7 Oceanic is giving and you get my serious consideration.
8 Exceed and add your internet revenues to the calculation
9 and I'll sign up right now.

10 A portions of the gross revenues to support all
11 PEG operations provide capital support that is flexible
12 and adaptable to maintain current operations, facilities,
13 equipment and allow for upgrades and acquisition of PEG
14 facilities to keep up with the emerging technologies.
15 Provide cross promotion of access programs in all cable
16 channels. Provide digital channel cable band width for
17 all community access television. Programming in the
18 expanding capacity to allow for growth into emerging
19 technologies and community development needs.

20 Offer programs on demand service interaction
21 applications with the needed support to ensure PEG access
22 support for success. Consecutively numbering of channels
23 close to the local channels and PBS Hawaii. Offer closed
24 captioning of all programming, include all native
25 languages.

1 Offer expanded revenue stream support to PEG
2 community access in all emerging technologies that may
3 become part of the cable net systems. Allow for
4 flexibility and expanding cable net services and band
5 width. Live origination points around the island and as
6 expanded, to all islands.

7 Provide additional locations for live
8 origination points at all the PEG community centers that
9 exist and that may come about. Provide unrestricted
10 commercial channel space, both analog, digital channels to
11 actively promote fund raising beyond funding limits.

12 I want PEG community access to be a resource
13 that continues to build community and promote democratic
14 process. Oceanic will not give up their market share
15 willingly, but you can sway the public in your favor by
16 helping us build a stronger community. The Hawaiian
17 Telcom franchise needs to be willing, flexible, adaptive
18 in working with the PEG access that sets the bar really
19 high for Oceanic. And my suggestion is take the lead and
20 exceed. Thank you.

21 MR. SONOBE: Thank you, Mr. Rodrigues.

22 MS. WONG: The next person to sign up to
23 testify is number 14, Alex McGhee.

24 MR. MCGHEE: Thank you. My name is Alex
25 McGhee. I'm the executive vice president of Enterprise

POWERS & ASSOCIATES (808) 536-2001

1 Honolulu. I think I can do three minutes.

2 Enterprise Honolulu is not related to the car
3 rental company. Some people make that mistake, one a week
4 maybe. We work in economic development. And our primary
5 purpose as a nonprofit organization is to build better
6 paying jobs in Hawaii and to help diversify our economy.

7 It's been very educational for me today and I
8 thank the DCCA and the people who have testified before I
9 came up here to listen to their testimony.

10 So I wanted to offer a few comments in addition
11 to the written testimony which has been provided by Mike
12 Fitzgerald who's our CEO. One thing I do notice is that
13 everybody has got something they want from you. And I
14 don't want anything from you. So I feel good about that.

15 The list of what people want is really long.
16 It is good for businesses to expand and grow in Hawaii.
17 It is good for innovation to happen in Hawaii. From
18 innovation and for businesses growing and expanding our
19 economy gets stronger. The opportunities for the people
20 here become more diverse.

21 And I know that there are any number of people
22 who are in this room today who are working in businesses
23 and are attempting to do that every day.

24 Before I came to Enterprise Honolulu I spent a
25 little more than 25 years in the television business so I

POWERS & ASSOCIATES (808) 536-2001

1 have some familiarity with it. I managed about four and a
2 half hours of news every day that I was responsible for
3 supervising.

4 I don't watch a lot of television anymore
5 because I'm just at that stage in my life. But it is a
6 good business and it provides good-paying jobs. And it
7 provides innovation and it helps Hawaii in ways that we
8 are positioned presently to pursue and take advantage of.

9 Enterprise Honolulu strongly supports Hawaiian
10 Telcom's application. We would request of you -- so I
11 guess after all I am asking for something -- we would
12 request of you that you be reasonable in considering this
13 application. We believe that the company is making and
14 has made a good faith effort to reach the community
15 standards that are important for them to address; that
16 they are making a good faith of that.

17 And if I might add that is perhaps a little
18 unfair of folks to be critical of them at this point on
19 another aspect of their business which they have had some
20 difficulty with, as they do an enormous changeover and
21 that that's not what's before the Commission right now.
22 That they are making a good faith effort to correct those
23 problems and that they are here today before you in a
24 good faith effort to help us and you diversify this
25 economy. Thank you very much.

1 MR. SONOBE: Thank you, Mr. McGhee.

2 MS. WONG: Next is number 15, Prophet Willie
3 Burrus.

4 MR. SONOBE: Excuse me. Could you repeat your
5 name for me. I missed your last name.

6 MR. BURRUS: Prophet Willie Burrus.

7 MR. SONOBE: Thank you.

8 MR. BURRUS: Good afternoon, Mr. Sonobe. I'm
9 Prophet Willie Burrus. I'm here in support of 'Olelo. I
10 have a television show with them and they've served me
11 very well.

12 Now, I am a customer of Hawaiian Telcom DSL and
13 I also have Oceanic Cable. So I really don't have a
14 complaint of either. I do believe in fair trade if they
15 meet the standards. If they meet the requirements that
16 Oceanic Cable is now providing to the community, I believe
17 that they should have that opportunity. And if they're
18 not then I believe that you need to really look at their
19 application.

20 But I am very much so happy with Oceanic Cable.
21 I've been on the islands here since 1986 and I've had
22 Oceanic Cable since I've been on the islands. And I've
23 been very happy with Oceanic Cable. And it's my choice.
24 But I also said I believe in fair trade.

25 So if Hawaiian Tel can meet the standards that

1 Oceanic Cable is providing for the community, then I
2 believe they should have the opportunity to compete with
3 Oceanic Cable.

4 MR. SONOBE: Thank you, sir.

5 MS. WONG: Next is number 16 Virginia Dowling.
6 I'm sorry I can't read the handwriting very well. Any
7 Virginia here would like to testify? (no response) Next
8 is No. 17 Fuschia Keliikipi-Kamakani.

9 MS. KELIIKIPI-KAMAKANI: Hi. My name is
10 Fuschia Keliikipi-Kamakani. I'm 14 years old and going to
11 be a freshman at Waianae High School where the 'Olelo,
12 Waianae 'Olelo is held.

13 My experience here at Waianae 'Olelo has been
14 very enjoyable and I would like 'Olelo to continue their
15 programs. If you allow Hawaiian Telcom to have a cable
16 service they should have to follow the same
17 responsibilities as Oceanic Cable.

18 Without their funding 'Olelo will possibly be
19 shut down. That means the community will not be able to
20 give their opinions on things. And without 'Olelo the
21 kids around the island won't have the chance to learn
22 about media.

23 I think that Hawaiian Telcom should have to
24 have the same obligations as Oceanic Cable because that
25 means that they can have community access and 'Olelo will

1 also be able to continue their program that I'm in right
2 now. Thank you for allowing me to speak on behalf of
3 'Olelo's summer youth program.

4 MR. SONOBE: Thank you.

5 MS. WONG: Next number 18 Jordan Kila.

6 MR. KILA: Hi. My name's Jordan Kila. I'm 14
7 years old and I attend Waianae High School as a sophomore.
8 My experience with 'Olelo was great. I really learned a
9 lot from the managers and stuff at 'Olelo. I learned how
10 to operate cameras like the P-100.

11 I also learned how to use color correction
12 chromo and a little bit of motion. This summer video
13 program here at 'Olelo for these young kids who want to
14 come with the media business. This program is so good
15 that taking this away from us would ruin our dreams of
16 what we want to do. It also takes away our freedom of
17 speech. So don't start taking advantage of other
18 companies. Thank you for allowing me to speak on behalf
19 of 'Olelo.

20 MR. SONOBE: Thank you.

21 MS. WONG: Next No. 19 Alan Ibanes.

22 MR. IBANES: Dear Mr. Director: Hi. My name
23 is Alan Ibanes. I am 12 years old. I'm from Waianae and
24 currently going to be a 7th grader at Waianae
25 Intermediate.

1 With all the experience I had in Waianae I
2 think Hawaiian Telcom should stick to the phone and
3 Internet service because Oceanic has provided the best
4 things for us like the community access channels, the
5 money, the money to do the summer media programs and for
6 some a home and 'ohana. So if Hawaiian Telcom wants to be
7 also in the cable business they should provide the same as
8 Oceanic. Thank you.

9 MR. SONOBE: Thank you.

10 MS. WONG: Next No. 20 Tuli Leota.

11 MR. LEOTA: Dear director, my name is Tuli
12 Leota. I am a 12 year-old boy that will be attending
13 Waianae Intermediate as a 7th grader. I'm a proud
14 resident of Waianae and a proud member of summer media
15 program at 'Olelo.

16 It is my first year at 'Olelo but just through
17 with this one experience there I've gained new trades and
18 it has opened many new doors in my life.

19 Before I came to 'Olelo I was shy and not
20 really serious about media. But since then I have come to
21 'Olelo I've gained many new friends and now I see media as
22 a hobby in my future or maybe even a job.

23 'Olelo provides a second home for some of us.
24 We come here not only to work but we come here to better
25 ourselves and to become better people. At 'Olelo we do

POWERS & ASSOCIATES (808) 536-2001

1 things together as one family, as one 'ohana. At 'Olelo
2 we learn to give and get respect. And we can use this in
3 our lives to gain many things.

4 Let's just say that 'Olelo makes this island a
5 better place to live. It let's the people speak their
6 minds. It lets people speak the truth. How can people
7 live without knowing the truth? We'd all just be living a
8 huge lie. I'd rather know the truth rather than a lie.

9 So if you're gonna let Hawaiian Telcom do this
10 at least make them be like Oceanic Cable and let us keep
11 not only 'Olelo's channels but to keep our only way of
12 informing people of the truth. Thank you.

13 MR. SONOBE: Thank you.

14 MS. WONG: No. 21 Aaron Oshiro.

15 MR. OSHIRO: Dear Mr. Director, aloha. My name
16 is Aaron Oshiro. I am 13 years old and a student at
17 Waianae Intermediate School. I will be in the 8th grade
18 for the school year of 2006 and 2007.

19 I had great experiences with 'Olelo and the
20 summer 'Olelo media program. I enjoy helping the
21 community to learn the media skills necessary to share
22 their concerns and opinions of Hawaii. But if Hawaiian
23 Telcom becomes a competitor with Oceanic Cable and doesn't
24 allow channels for community access, the public will not
25 be able to listen to the issues of the people and of the

1 community.

2 'Olelo allows the people of Hawaii to express
3 how they disagree with several choices that some
4 politicians make. So that is the truth. And politicians
5 don't like that. So we should have that just to let them
6 say what they want.

7 'Olelo can barely funded the summer media
8 program. So if Hawaiian Telcom is not obligated to have
9 the 'Olelo programming on their cable and customers use
10 Hawaiian Telcom, 'Olelo will have less money in the fund
11 to support the media centers and the programs which might
12 mean the media centers and programs cut. Please don't let
13 this happen to 'Olelo.

14 Mahalo for listening to me and my friends.

15 Thank you.

16 MR. SONOBE: Thank you.

17 MS. WONG: No. 22 Britney Wolf.

18 MS. WOLF: Aloha. My name is Britney Wolf.

19 I'm 16 and attending Nanakuli High and Intermediate
20 School. I'm going to be a junior and start third year in
21 our media program. But this summer I attended Waianae
22 'Olelo summer media program. This program has taught me
23 way more than what I had learned in my school's media
24 program. I enjoyed every second at 'Olelo.

25 I'm looking forward to it next year. What I

POWERS & ASSOCIATES (808) 536-2001

1 have learned was about cameras and how real shoots go on.
2 It's a little complicated but, oh, so exciting at the same
3 time. My whole family has Oceanic Cable and the cable
4 bill is a small amount to pay compared to the other bills
5 we have to pay here in Hawaii.

6 Man, can I tell you Hawaii is expensive! To
7 have community access to show what we need everyone to
8 know is awesome. Plus it's free to tell everyone
9 something where you have to pay to be in the newspaper.

10 I support all the way Oceanic Cable because
11 they fund 'Olelo and we do not fund Hawaiian Telcom. We
12 want Hawaiian Telcom to have cable too but they should at
13 least be able to do the same community access, fund the
14 same things that Oceanic does.

15 'Olelo has shown great progress in the
16 community. I got to say is one of the best. If it wasn't
17 for 'Olelo and Oceanic Cable my experience with the media
18 wouldn't have happened.

19 Media has been a part of my schedule and now
20 that I'm in this program became a part of my life. I
21 don't even want this program to end. Thank you.

22 MR. SONOBE: Thank you.

23 MS. WONG: Number 23 Ambree Hauhio.

24 MS. HAUHIO: Aloha. My name is Ambree Hauhio.
25 I am at the age of 16 years. I'm going to be a senior at

1 Nanakuli High School.

2 During the summer I've been attending the
3 summer media program in Waianae. It's been a privilege to
4 experience it. I've learned a lot about this media and
5 how it works and how to make it work.

6 I've also learned a lot about Hawaiian values
7 and how it really could affect our lives in a good way.
8 At 'Olelo it's been working, we're trying to work out how
9 to cooperate with others at different ages, to know and
10 meet people in amount of weeks and later end up as an
11 'ohana. And as an 'ohana we hope that the community
12 access is still available to everyone.

13 Community access is a way to just let everyone
14 know how we feel and to get out our message. So as for me
15 it's just an opportunity for unfortunate people without
16 money to broadcast at other than other expensive
17 television channels. I just feel that everyone or every
18 station should have the same obligation. Mahalo nui loa
19 for letting me speak on behalf of 'Olelo.

20 MR. SONOBE: Thank you.

21 MS. WONG: Number 24, Tiare West.

22 MS. WEST: Aloha. My name is Tiare West. I'm
23 12 years and I'm going to be a 7th grader at Waianae
24 Intermediate School.

25 For my summer break I've been going to Waianae

1 'Olelo for a summer media program. I've been going Monday
2 through Friday for at least six weeks.

3 While I was going to 'Olelo I learned a lot of
4 things like how to use a PD-100, PD-170 and a PD-150. And
5 I also learned how to edit on Final Cut Pro.

6 To get back on the track that we're heading to,
7 if you let Hawaiian Telcom have the same -- you should
8 Hawaiian Telcom have the same rules as the Oceanic Cable
9 Company because right now 'Olelo's being supported by
10 Oceanic Cable Company.

11 And if you let Hawaiian Telcom become like a
12 cable company you should let them, you should have them
13 follow the same rules. Because if Hawaiian Telcom takes
14 some of the people that are with Oceanic right now then
15 the budget for 'Olelo would come a little lower. So we
16 wouldn't be able to have the summer media program anymore.
17 So I was just wondering if you can think twice before you
18 do it. And whatever makes you feel right you can do it.
19 It's fine with me. Thank you.

20 MR. SONOBE: Thank you.

21 MS. WONG: Next No. 25 Christian Naho'opi'i.

22 MR. NAHO'OPI'I: Aloha. My name is Christian
23 Naho'opi'i. I'm a graduate of Halau Kumana. I'm also one
24 of the interim managers for the summer media program which
25 the students you just heard and a few more that are coming

POWERS & ASSOCIATES (808) 536-2001

1 up after myself.

2 We're just here to say that we are in support
3 of Hawaiian Telcom having a cable, providing cable
4 services but we do want them to follow the same
5 obligations to the community. And, yeah, I'll just keep
6 it short for my students to elaborate. Mahalo.

7 MR. SONOBE: Thank you.

8 MS. WONG: Number 26, Aloha Davis.

9 MS. DAVIS: Aloha. My name is Aloha Davis. I
10 was one of the intern manager at Waianae 'Olelo summer
11 media program. I'm not going to talk much, just wanted to
12 say that we are in favor of Hawaiian Telcom's cable if
13 they want to provide now. We just hope that you guys look
14 into consideration of allowing the community access to
15 their cable. I'll let the rest of the interns elaborate.
16 Mahalo for your time.

17 MR. SONOBE: Thank you.

18 MS. WONG: No. 27. Naturalee Puou.

19 MS. PUOU: My name's Naturalee Puou. I'm
20 another intern manager for the Waianae summer media
21 program. And as you just heard I brought a lot of my
22 interns with me. They volunteered to come because they
23 wanted to be here to speak on behalf of 'Olelo.

24 I still support Oceanic Cable but if Hawaiian
25 Telcom is also considering public access, then they have

1 my support as well. Because of Oceanic Cable 'Olelo gets
2 most of its funding which is how we get a wonderful
3 program such as the summer media.

4 And basically our goal is to target at-risk
5 children on the Waianae Coast because those are our main
6 concerns right now because of the stereotype that we face
7 being from Waianae.

8 As the summer media program we have allowed
9 these students to better themselves because we have
10 incorporated the Hawaiian culture in our program this
11 year. Therefore a lot of their lessons have been based on
12 Hawaiian values.

13 We don't have all Hawaiian students but because
14 these values are able to, because these values hold the
15 same importance and significance in other cultures around
16 the world we're able to come together and have this same
17 understanding within this media halau.

18 Basically because 'Olelo is a nonprofit the
19 first thing for a profit company to do is to get rid of
20 the limb that really isn't, would be a dead limb for
21 Oceanic Cable if they were to compete with Hawaiian
22 Telcom. We don't want that to happen because public
23 access is important.

24 I still don't understand why we're still up
25 here vying for our existence because why should we cut off

POWERS & ASSOCIATES (808) 536-2001

1 our voices when we're the people who pretty much make this
2 place what it is. And I don't understand why we have to
3 keep coming back, appear to testify and to protest and to
4 justify our existence when the people of Hawaii need a
5 voice.

6 In Hawaiian culture or the Hawaiians believe
7 you've got, the mouth is the most dirtiest part of the
8 body because of the things that come out of it.

9 But when you communicate with righteousness or
10 when you communicate in a pono way it allows the community
11 to stand together and be strong and get what needs to be
12 done.

13 So I support both Hawaiian Telcom as well as
14 Oceanic Cable if they support us as well. Mahalo.

15 MR. SONOBE: Thank you.

16 MS. WONG: No. 28. Kaleo Keliikipi. Do we
17 have Kaleo?

18 MR. BOWEN: He's not feeling well right now.

19 MS. WONG: Okay. No. 29, Mark Helmberger.

20 MR. BOWEN: He's gone.

21 MS. WONG: He's gone? Okay.

22 MR. BOWEN: Until he's back I'll speak.

23 (Taking seat at speaker's table)

24 MS. WONG: I'm sorry, you are Mark?

25 MR. BOWEN: He went out for a second.

1 MS. WONG: Okay. And what's your name?

2 MR. BOWEN: My name is Mike Bowen.

3 MS. WONG: Okay. Before you we have someone
4 else.

5 MR. BOWEN: Before me?

6 MS. WONG: Yes. Okay. Sorry. No. 30 is
7 Bronson Garcia.

8 MR. GARCIA: Aloha. My name is Bronson Garcia
9 and I'm 17 years old and attend Nanakuli High and
10 Intermediate School as a senior. I'm a participant of the
11 Waianae summer media program. My experience there was a
12 amazing. I met lots of interesting people. I had many
13 memorable moments and I learned so much.

14 I think that Hawaiian Telcom should be under
15 the same obligations as Oceanic Cable and should provide
16 community access service to programs in the summer media
17 can continue to be funded.

18 I think that more so because this program was,
19 it helped me a lot. I got through a lot of problems with
20 this. I learned leadership. I learned independence as
21 well as teamwork. And I think this can help more people.
22 Thank you.

23 MR. SONOBE: Thank you.

24 MS. WONG: 31 Mike Bowen.

25 MR. BOWEN: Thanks for allowing me to come up.

POWERS & ASSOCIATES (808) 536-2001

1 I don't have a lot to say. I'm just here to say that I'm
2 in support of Hawaiian Telcom if they're willing and the
3 DCCA is willing to make them susceptible to the same
4 requirements that Oceanic has always been required to
5 provide. And amidst those things would be Oceanic has
6 provided six analog channels.

7 Hawaiian Telcom should be willing to provide
8 the equal band width of six analog or six analog channels
9 but in their digital format because digital takes up less
10 band width than analog. So they should be required to
11 provide the same. And that's about all I have to say.

12 MR. SONOBE: Thank you.

13 MS. WONG: No. 33 Bennette Evangelista.

14 MS. EVANGELISTA: Mr. Sonobe, members of the
15 public, good afternoon. My name is Bennette Evangelista,
16 community leader and volunteer. And I want to thank you
17 for this opportunity to speak in favor of the application.

18 I've been a member of this local business
19 community for sometime now. And I was one of those who
20 lauded from the sidelines when the news broke that
21 Hawaiian Telcom was going to go local.

22 First of all, as a former banker I knew the
23 tremendous impact, economic impact this would bring to the
24 islands. At the same time I knew that the jobs were being
25 brought back to Hawaii and more importantly we could now

1 interact with employees of the Phone Company who
2 understood our local ways and, more importantly, as an
3 immigrant myself, our local accents.

4 As Hawaiian Telcom grew in the marketplace I
5 was very impressed by the fact that they were very good,
6 and solid corporate citizens. They gave back to Hawaii
7 and its people.

8 I have been on numerous boards and many times
9 that corporate support meant survival for many of these
10 nonprofit organizations. But this is really not the
11 reason why I'm supporting this application. I'm
12 supporting it because of the economic reason.

13 First of all, I support it because it offers a
14 choice for Hawaii consumers. In every economy and every
15 industry monopoly is not healthy. Competition is always
16 good. And whether it be price or customer service the
17 consumers will always reap the benefits.

18 Second, I support it because of the capital
19 infrastructure investment it will bring to Hawaii. This
20 represents millions of dollars and, of course, additional
21 jobs for our people. I'm not an economist. But by all
22 means if you take in the multiplier effect I will be sure
23 the yield on this initial investment will be three-fold.

24 I also support it thirdly for the particular
25 technology that Hawaiian Telcom is proposing to use which

1 offers expanded and unlimited channels and services.

2 For Hawaii's multicultural community this is
3 really an ideal situation. Think about it. Instead of
4 just one Korean channel that would provide Korean soap
5 operas, you can now have as many as four.

6 Or, for instance, instead of one Filipino
7 channel, which we now currently have, you can have as many
8 as five or six and one which could even be Filipino HBO
9 which could just be showing Filipino movies.

10 I know my 71 year-old mother would be happy
11 about that. I really believe that this is an opportunity
12 we cannot afford to miss. I strongly urge the Division to
13 consider this application. And I know my mother would
14 thank you. Much mahalo for your kind consideration.

15 MR. SONOBE: Thank you, Ms. Evangelista.

16 MS. WONG: No. 41 Emine Da Huong. Emine
17 Pacific Beauties? (no response) Evera Williams?

18 MS. WILLIAMS: Hello, I'm Evera Williams. And
19 I'd like to speak on behalf of my community which is the
20 Palolo Kai community. I work a lot with the community
21 there. Public access has been really important to that
22 and very empowering.

23 I support Hawaiian Telcom's entry into the
24 field. And I like the idea competitive access like that.
25 But I highly support them paying a share toward public

1 access as I wish the satellite people would do too. In
2 fact all of those companies providing those services
3 should pay a portion of their profit to public access so
4 that it is maintained.

5 I think our system here, especially on Oahu, is
6 exceptional. We have the ability now to make sure it
7 stays exceptional. I highly urge you to do that. Thank
8 you.

9 MR. SONOBE: Thank you, Ms. Williams. We've
10 completed our list of speakers. Is there anyone who has,
11 who wishes to speak who wasn't signed up?

12 MR. HELMBERGER: I signed up but I had to step
13 out.

14 MR. SONOBE: Can I get your name, please.

15 MR. HELMBERGER: Yes. I'm Mark Helmberger.
16 I've been with 'Olelo as a volunteer producer, and just
17 volunteer since 1999. I worked on such diverse projects
18 as the D.A.R.E. concert that just happened, the ICE
19 program down to Hawaii high school soccer games as well as
20 what we do personally which is we do a number of church
21 studies.

22 We support, of course, the Hawaiian Telcom bid
23 for cable access. We would like to emphasize, though, is
24 Hawaii has something that's very unique to Hawaii. That
25 is the way that they handle PEG access.

1 You look at the diversity of people that comes
2 through here. It thrills my heart to watch those kids go
3 out. If you go to Waianae you can really appreciate what
4 an opportunity they have been offered through 'Olelo.
5 That has spread throughout the islands. There are 3 to
6 4,000 producers that cover every subject that you can
7 think of and many that you've never thought of. That's
8 'Olelo.

9 But there is one other access group that really
10 hasn't been addressed yet. That is the number of people
11 who watch PEG access. I've been astounded. When we first
12 started I was, like, yeah, who's going to watch community
13 access TV until I actually got my face on that.

14 'Olelo is unique in that it is really, it's the
15 voice of the island and the island watches it. So I would
16 like to emphasize when considering Hawaiian Telcom's bid,
17 make sure that there is band width consideration there.

18 If you take the digital channel and you compare
19 it to an analog channel, the band width of the analog
20 channel, as you're well aware, is significantly larger.
21 If we were to get the same band width considerations with
22 the Hawaiian Telcom proposal we would be able to offer
23 this voice of the island much more opportunities and
24 options.

25 Please don't forget the PEG access and what

1 'Olelo has done on this island to give this island its own
2 unique voice.

3 Hawaii is one of the most culturally diverse
4 places I've ever been to. And I have had the privilege in
5 my limited lifetime to be over most of the world.

6 Yet here on the island you have such a
7 multicultural base of people that to have a community
8 access TV that actually addresses all of their needs is
9 crucial.

10 So when you're considering this proposal please
11 make sure that there is a band width consideration for
12 Hawaiian Telcom to give the same equivalent band width
13 that Oceanic does, and to offer the other advantages of
14 the higher technology that they're proposing such as was
15 mentioned before; video on demand or the DVR programs.

16 These would not be exceptional burdens on
17 Hawaiian Telcom. We believe would actually enhance the
18 'Olelo experience that would take what we've done with PEG
19 access here on the island and really put it to the top of
20 the list in the country. Thank you.

21 MR. SONOBE: Thank you.

22 VOICE IN AUDIENCE: I signed in.

23 MS. WONG: Okay. You didn't check if you
24 wanted to testify. Did you want to testify?

25 MR. SAGAPOLUTELE: Yes. Hi. My name is Molesi

1 Sagapolutele. I'm speaking on behalf of our community,
2 Samoan community. I've been with 'Olelo quite long. I
3 don't know how long but it's quite long. This is the
4 Voice of Samoa. If the 'Olelo is the voice of Hawaii it's
5 also the voice of our community. We get our news from the
6 island news. This is only access we have to our
7 community. Our culture, church, material and also the
8 political.

9 So if the Telecom, Hawaiian Telcom they should
10 do the same as 'Olelo -- or Oceanic Cable or better to
11 serve the community. Thank you very much.

12 MR. SONOBE: Thank you. Is there anyone else
13 who would like to speak?

14 MS. LEE: Yeah, I guess I will. Wow. Thank
15 you. This is a very, very rare opportunity.

16 MR. SONOBE: Could you state your name, please.

17 MS. LEE: Yeah. My name is Jan Lee. Wow. The
18 history of PEG, public access television, PEG and the
19 history and truth and everything that was going on. I
20 just want to say that people are really happy to have
21 Hawaiian Telcom enter into this marketplace because it's
22 really great.

23 And the people who participate in P-E-G it's
24 like I heard so much misinformation today. The kids that
25 came through here I felt like we were like battered women

1 and our husbands said, "Oh, it was your fault so I beat
2 you."

3 It's kind of weird because the people don't
4 really understand the history of PEG and all the years and
5 the suffering since the '70s to bring PEG access.

6 So my only point here in relation to the
7 Hawaiian Telcom is that the regulation is watched over
8 very carefully so that we can have the free speech that's
9 been very limited in our PEG access community.

10 Number 1 we have, like, private schools all
11 around. They can't get PEG access, you know, because they
12 can't. You know, it's so difficult for the private school
13 community to get any kind of programming on.

14 I just over the last 15 years watched the
15 'Olelo PEG access budget increase from one, two, three
16 thousand, I mean one, two, three million dollars a year
17 and our access gets less and less and less.

18 So I don't know what's going on. But I hope
19 with Hawaiian Telcom entering in that they won't get
20 abused like an abused woman, you know in the access
21 picture. You know, that their funds that they're
22 investing in the community will be, I guess, you know
23 taken care of properly.

24 Because, you know, for the massive investment
25 \$9 million a year? And we get some community program and

1 the rest comes from Germany or -- where's that place?
2 Burbank? I think we local people deserve more. It's been
3 just increasing that way with NASA satellite feed. So I
4 support it and maybe we can see some changes.

5 MR. SONOBE: Thank you.

6 MS. LEE: Thank you.

7 MR. SONOBE: Is there anyone else wishing to
8 speak?

9 MS. NICHOLS: Hi. Thanks for letting me speak
10 kind of late in the game here. My name is Meredith
11 Nichols. And I'm a director at 'Olelo Community
12 Television.

13 I'd just like to make some clarifying points
14 about some of the statements we just heard. Primarily
15 that 'Olelo does offer services to private schools as well
16 as public schools. And we do our steady best to serve as
17 many members of the community as we can.

18 We believe we're doing a pretty good job, that
19 our reach has increased as we open new community centers.
20 And the community remains the primary -- service to the
21 community remains our primary goal.

22 With that goal in mind we want to also state
23 our appreciation from Oceanic Cable and what they do in
24 order to make that possible. And also in the context of
25 this hearing to also state that we appreciate Hawaiian

1 Telcom already stating that they're also in support of
2 public access and making a statement that they are
3 dedicated to also providing the public voice on their
4 channel.

5 So we appreciate that again. Of course we will
6 have written testimony that's more detailed. But I did
7 want to make those clarifying statements.

8 MR. SONOBE: Thank you, Ms. Nichols. Is there
9 anyone else wishing to make comments this evening? If not
10 I'd like to have Hawaiian Telcom come back up for their
11 closing comments.

12 MR. MATSUNAGA: Thank you again, Mr. Sonobe.
13 Hawaiian Telcom would like to thank everybody for
14 providing comments to us. The comments that have been
15 provided as the other comments we've gotten previously in
16 other meetings that we have had with the community have
17 been very helpful to us.

18 I think after listening to the comments we are
19 even more encouraged that providing video service here on
20 Oahu with our franchise application.

21 What we've heard is that people do want to see
22 competition. That many people realize that competition
23 will bring benefits to the consumer and to the state of
24 Hawai'i.

25 And we are prepared to do that. We are

1 prepared to be a provider although we are facing a very
2 well-entrenched competitor incumbent here in Hawaii.

3 We do provide a platform that uses a different
4 technology. That is the reality of our service. It will
5 not be cable service. And will be an IPTV-based platform.

6 But, however, we believe that the fact that
7 we're using a different platform and different technology
8 offers differences but also advantages from what the
9 traditional cable service is today.

10 We are also a new entrant. And as a new
11 entrant we have the realities of building a market share
12 as we grow our market and deploy our network here in
13 Hawaii. We believe that all of those things can be
14 accommodated in our negotiations with the DCCA.

15 The other thing that we're encouraged after
16 listening to all of the comments we've heard a tremendous
17 amount of comments about the importance to the community
18 of PEG access. We have stated very early on that Hawaiian
19 Telcom is committed, we are committed to providing PEG
20 access.

21 We were very pleased that 'Olelo was willing to
22 meet with us very early on and provide us with a lot of
23 information because we do realize how important it is and
24 that they served as a resource for us. And we're reaching
25 out to others so that we can make sure that we fulfill

1 that important need in the community.

2 So we are committed to PEG access. For many of
3 those who spoke today we appreciate their comments. It
4 helps to enforce our own perception of how important that
5 is for the community.

6 Other than that we will be open to hearing from
7 others. We will be getting a copy of the transcripts. We
8 will carefully review all of the comments presented today.
9 We appreciate everybody's comments. thank you.

10 MR. SONOBE: Thank you, Mr. Matsunaga. With
11 that, thank you everyone who attended and provided
12 comments and have a good evening. Thank you.

13 (Proceedings adjourned at 5:54 p.m.)

14 --oo00oo--

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, HOLLY HACKETT, R.P.R., C.S.R. in and for the State of Hawai'i, do hereby certify;

That I was acting as shorthand reporter in the foregoing DCCA matter on the 19th day of July, 2006

That the proceedings were taken down in computerized machine shorthand by me and were thereafter reduced to print by me;

That the foregoing represents, to the best of my ability, a correct transcript of the proceedings had in the foregoing matter.

I further certify that I am not counsel for any of the parties hereto, nor in any way interested in the outcome of the cause named in the caption.

DATED: This 25th day of July 2006

HOLLY M. HACKETT, R.P.R., C.S.R. #130
Certified Shorthand Reporter

