JAMES R. AIONA, JR. LT. GOVERNOR



CLYDE S. SONOBE CABLE TELEVISION ADMINISTRATOR

STATE OF HAWAII CABLE TELEVISION DIVISION DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

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VIA FACSIMILE & U.S. MAIL

August 31, 2009

Brian A. Kang, Esq. Watanabe Ing LLP First Hawaiian Center 999 Bishop Street, 23rd Floor Honolulu, HI 96813

Re: Application of Time Warner Entertainment Company, L.P. through its Hawaii Division, Oceanic Time Warner Cable for Renewal of Cable Franchise for the island of Oahu, City and County of Honolulu

Dear Mr. Kang:

On July 21, 2009, Time Warner Entertainment Company, L.P. through its Hawaii Division, Oceanic Time Warner Cable ("**Applicant**") submitted a written application for renewal of its Oahu franchise.

The Department of Commerce and Consumer Affairs ("**Department**") requires certain additional information in order to proceed with the processing of the Application under Chapter 440G, Hawaii Revised Statutes. Accordingly, please provide the required information set forth in the attached Department of Commerce and Consumer Affairs First Request for Supplemental Information (IR) within 5 business days from the date of this letter.

As you are aware, the Department may request additional information throughout the application process. The Department will make a decision on the Application once the requested information is received and considered.

Thank you for your cooperation and attention to this matter. If you have any questions, please feel free to call me.

Sincerely,

Clyde S. Sonobe

Cable Television Administrator

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APPLICATION FOR RENEWAL OF OAHU CABLE TELEVISION FRANCHISE BY TIME WARNER ENTERTAINMENT COMPANY, L.P. THROUGH ITS HAWAII DIVISION, OCEANIC TIME WARNER CABLE

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS FIRST REQUEST FOR SUPPLEMENTAL INFORMATION (IR)

August 31, 2009

Each question should be answered separately, and copies of source documents should reference the question being answered. The certification provided by Time Warner Entertainment Company, L.P. through its Hawaii Division, Oceanic Time Warner Cable ("Applicant" or "TWE") in the Application concerning the accuracy of the information is also applicable to the Applicant's responses to these questions.

The Applicant shall answer each question fully and completely, and to the extent the question or any subpart thereof is not applicable, the Applicant should explain why it is not applicable. This is an ongoing request for information. If any of the requested documents are executed or finalized, or updated and amended after the date Applicant submits its response and during the franchise application process, then Applicant shall provide these documents immediately to the Department.

1. <u>Application. II. E. Technology Change and Hawaii Cable System</u> Infrastructure (Pg. 7)

If Applicant's cable system is to stay fully current for effectively providing state-of-the-art services for the future, describe Applicant's plans for any upgrades to its cable system and specifically address plans for each of the following:

- a. headend upgrades;
- b. construction projects:
- c. switch amplifiers upgrades;
- d. capitalization schedule, and
- e. enhancement of the 750 MHz system.

2. Application. II. F. Franchise Compliance Review (Pg. 9)

a. State the specific steps Applicant will take to ensure that all reports required by HRS, HARs, and Decision and Orders are submitted on a timely basis.

3. Application. IV. D. 2. b. Equitable Extension of Service policy (Pg. 43)

Applicant's current policy for extension of service to underserved and underdeveloped areas will remain the same (i.e., extension of service to all areas where a minimum of 25 homes per mile of strand or conduit is developed). Provide either the number of homes, or the percentage of homes, on Oahu that are not served due to Applicant's 25 homes per mile line extension policy.

4. Application. IV. H. Public, Educational, and Government (PEG) Access (Pg. 48)

Explain in more detail how the transition to newer technology now and in the future may or may not affect the future of PEG access channels.

- 5. Application. IV. H. 2. Public, Educational, and Government (PEG) Access (Pg. 49)
 - a. Clarify and elaborate in more detail what Applicant means by the statement: "Applicant proposes that provisions be included within the franchise order to adjust these amounts should changes be made to the provision of PEG services (i.e. PEG channels are converted to digital, video on demand is deployed for PEG programming, etc.)."
 - Does Applicant intend that PEG funding support should be increased or decreased depending upon the need to upgrade PEG technologies? Please explain the basis for your response.
- 6. <u>Application. IV. H. 3. Public, Educational, and Government (PEG) Access</u> (Pg. 50)

Applicant's response states that: "Applicant proposes that the number of PEG channels under the new franchise not exceed the five channels allocated under the current franchise, and that provisions be included within the franchise order to adjust the number of PEG channels as warranted by the availability or deployment of technology (i.e. video on demand, streaming video, etc.), the level of demand for PEG programming, and the long-term best interests of Oahu subscribers as a whole."

a. Are the 5 channels referred to by Applicant analog or digital channels?

- b. Explain in detail Applicant's justification why it believes that five PEG channels are sufficient for PEG access.
- c. Explain in detail any plans Applicant has to transition the analog PEG channels to digital PEG channels.

7. Application. IV. I. Customer Service Operations (Pg. 50)

- a. Provide the specific process Applicant will follow regarding resolution of complaints and inquires referred by the DCCA.
- b. Once a complaint escalates, state the procedures the Applicant will follow to resolve the issue and timeframe objectives for resolution.
- 8. State Applicant's proposal for future support for Hawaii Public Broadcasting.
- 9. What are Applicant's intentions to support analog programming to subscribers after 2012?