

BEFORE THE
DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS
OF THE STATE OF HAWAII

In the Matter of the Application)
of)
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)
)
TIME WARNER ENTERTAINMENT)
COMPANY, L.P. dba Oceanic Cable)
)
(Addition of Hawaii Kai, Oahu, to Franchise)
and Service Area))
_____)

DECISION AND ORDER NO. 243

The State accepted Time Warner Entertainment Company, L.P. ("TWE") Application for Transfer and Amendment of the Cable Franchise held by TCI of Hawaii, Inc. One of TCI of Hawaii, Inc.'s franchise and service areas is the Hawaii Kai area of the island of Oahu.

Decision and Order No. 241 issued concurrently herewith regarding TWE's transfer application provides that the Hawaii Kai franchise area (census tracts 1.02, 1.04, 1.05, 1.06, 1.07, and 1.08) including the cable system serving that area will become a part of TWE's Oceanic Cable franchise and service areas.

The consolidation of the Hawaii Kai cable system and franchise area into TWE Oceanic Cable's franchise is in the public interest. As noted in Decision and Order No. 241, two separate franchises on the same island for one cable operator would not promote operational efficiency with respect to customer and technical service as well as reasonable cable rates.¹

¹ The Director understands that the Hawaii Kai system was recently upgraded to 750 Mhz with digital capability, using fiber to node architecture. Consolidation of the Hawaii Kai system into Oceanic Cable's franchise and service area will, among other things, provide subscribers with immediate access to TWE's Road Runner Internet access

TWE agreed to interconnect to its cable system ten (10) additional INET sites within the franchise area all at no cost of charge to the State or subscribers. At the request of TWE, the franchise term for its Oceanic Cable system will be extended for one additional year to December 31, 2009.²

NOW, THEREFORE, it is hereby ordered that the cable franchise issued to Time Warner Entertainment Company, L.P. dba Oceanic Cable under Decision and Order Nos. 154, 156, and 158 (hereinafter sometimes collectively referred to as "Orders") is amended as follows:

(1) The former TCI of Hawaii, Inc. Hawaii Kai cable system shall be a part of Time Warner Entertainment Company, L.P. ("TWE") franchise for the island of Oahu and consolidated and incorporated into TWE's Oceanic Cable system, and census tracts 1.02, 1.04, 1.05, 1.06, 1.07, and 1.08 shall be a part of the franchise service area under the Orders.

(2) In addition to sites identified and obligations set forth in the Orders, relating to institutional networks, TWE, within six months of a request by the Director, shall interconnect UH/HCC facility at Barbers Point and the UH West Oahu campus to its cable system at no cost or charge to the State or subscribers, and shall interconnect all schools and libraries within the service area to its cable system and provide a cable drop and basic service to such schools and libraries all at no cost or charge to the State or subscribers.

TWE, at the request of the Director, shall install fiber optic lines, materials, and electronics for two-way broadband video, voice, and data capabilities, interconnecting network sites between its cable system and ten (10) additional sites to be determined by the Director all at no cost or charge to the State or subscribers over the term of the franchise.

TWE shall maintain and repair the fiber optic lines up to the termination points of each site at no charge or cost, and shall replace any such fiber optic lines at TWE's actual cost of labor and materials which cost shall be borne solely by the connected agency, school or library.

service, and enable schools to receive certain benefits of TWE's Social Contract with the FCC such as on-line personal computer service and modem at no charge.


² TWE's 750 Mhz upgrade of its Oceanic Cable system was completed prior to December 31, 1997. As such, by letter order issued November 26, 1997, the Director extended the franchise term to December 31, 2008 as provided in Decision and Order No. 158.

(3) The franchise term issued to TWE under the Orders is extended for one additional year to December 31, 2009, unless terminated sooner as provided under said Orders or by applicable law.

Except as amended herein, the provisions of Decision and Order Nos. 154, 156 and 158 and the terms and conditions attached thereto and incorporated therein are hereby ratified and shall remain in full force and effect, and the terms and provisions set forth herein including the incorporation of the Hawaii Kai area described above into TWE's Oceanic Cable franchise shall be effective as of the date hereof.

Notwithstanding any provision to the contrary, in the event Decision and Order No. 241 is rendered null and void as provided therein, this Decision and Order shall likewise be deemed null and void, and Decision and Order Nos. 148, 150, 187, and 239 shall be in full force and effect. In such event, the Director shall have the right to take any and all action and to issue such orders as the Director deems necessary or appropriate to serve and protect the public interest with respect to the cable services within the subject franchise area in accordance with applicable law.

DATED: Honolulu, Hawaii, May 10, 1999.

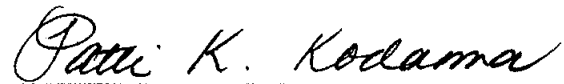

KATHRYN S. MATAYOSHI
Director of Commerce and Consumer
Affairs

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing DECISION AND ORDER NO. 243 was served upon the following parties at the address shown below by mailing the same, postage prepaid, on this 10th day of May 1999.

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FOR TIME WARNER ENTERTAINMENT COMPANY, L.P.
dba Oceanic Cable


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