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LT. GOVERNOR

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

January 13, 2009

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

Dear Mr. Smith:

Re: Letter Order — 2009 Access Operating Fees and Capital Fund Payments to Olelo, Hoike, Na Leo, and Akaku

In accordance with Decision and Order Nos. (**D&O**) 261 and 291, Time Warner Entertainment Company, L.P. ("**TWE**") is generally required to pay an annual Access Operating Fee equal to three percent (3%) of its annual gross revenues to public, educational, and governmental ("**PEG**") access organizations that the Department of Commerce and Consumer Affairs ("**DCCA**") contracted with to provide PEG access services to the public. There are currently four (4) PEG access organizations in the State: Hoike - Kauai Community Television, Inc. ("**Hoike**"), Na Leo O Hawaii, Inc. ("**Na Leo**"), Olelo Community Television ("**Olelo**"), and Akaku: Maui Community Television ("**Akaku**").

TWE is also directed to make capital fund payments for PEG access facilities and equipment to each designated PEG access entity pursuant to: D&O No. 310 (Oahu franchise area), D&O No. 321 (Maui and Lahaina franchise areas), D&O No. 327 (Kauai County), and D&O No. 335 (County of Hawaii franchise areas).

As you know, prior to 2006, DCCA directed TWE to pay the appropriate Access Operating Fees and capital fund payments to the PEG access organizations once per year on January 31st. This was done because DCCA renewed the PEG access services contracts in annual increments.

For the years 2006, 2007 and 2008, DCCA renewed the PEG access services contracts in six (6) month increments. Thus, DCCA issued various Letter Orders to TWE that generally required TWE to pay half [i.e., fifty percent (50%)] of the appropriate Access Operating Fees and capital fund payments to the PEG access organizations every six (6) months.

For 2009, the PEG access services contracts have been extended six (6) months to June 30, 2009.

Accordingly, pursuant to Hawaii Revised Statutes section 440G-12; Sections 5.1(g), 11.8, and 11.10 of D&O No. 154, as amended; Sections 4.2(d), 12.8, and 12.9 of D&O No. 173, as amended; Sections 4.2(d), 12.8, and 12.9 of D&O No. 174, as amended, Sections 4.2(d), 12.8, and 12.9 of D&O No. 185, as amended; Sections 4.2(d), 12.8, and 12.9 of D&O No. 241, as amended; and Sections 4.2(e), 11.8, and 11.9 of D&O No. 291, as amended, DCCA hereby directs TWE to:

1. Pay fifty percent (50%) of the appropriate 2009 Access Operating Fees to Olelo, Na Leo, Hoike and Akaku on January 31, 2009.

2. Deposit and maintain the remaining fifty percent (50%) balance of the 2009 Access Operating Fees in an interest bearing account in any federally insured financial institution authorized in the State of Hawaii.

3. Pay fifty percent (50%) of the appropriate 2009 capital fund payments to Olelo, Na Leo, Hoike and Akaku, on January 31, 2009.

4. Deposit and maintain the remaining fifty percent (50%) balance of the 2009 capital fund payments in a separate interest bearing account in any federally insured financial institution authorized in the State of Hawaii.

5. TWE shall maintain separate accounting records for the access operating fees and the capital fund payments attributable to each PEG access organization. Upon request of the Department, TWE shall promptly provide DCCA with documentation of the bank accounts and accounting records regarding the Access Operating Fees and capital fund payments.

6. Upon further direction by the Director, TWE shall disperse the remaining amounts of 2009 Access Operating Fees and capital fund payments in the bank accounts. The Director anticipates that payment instructions for the remaining fifty percent (50%) of the 2009 access operating fees and capital fund payments will be forthcoming by June 2009.

7. TWE may recover reasonable costs of administering the bank accounts, including the tax impact of any interest earned, from the interest on the accounts.

8. Any interest earned on the bank accounts shall be prorated and disbursed as further directed by the DCCA. TWE shall keep separate any interest earned on the access operating fees from the capital fund payments.

Thank you for your attention to and cooperation in this matter. Please call Mr. Clyde Sonobe, Cable Television Administrator, if you have any questions. Thank you for your assistance and cooperation in this matter.

Sincerely,

Lawrence M Reifurth

Lawrence M. Reifurth
Director of Commerce and Consumer Affairs

c: Brian Kang, Esq.
Kealii Lopez, Olelo
J Robertson, Hoike
Juergen Denecke, Na Leo
Jay April, Akaku
Marlon Wedemeyer (HENC)
Clyde Sakamoto, Chancellor (MENC)
Oscar Matsui (MENC)
Clyde Sonobe