



NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR

STATE OF HAWAII
CABLE TELEVISION DIVISION
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET
P.O. Box 541
HONOLULU, HAWAII 96809
(808) 586-2620
FAX (808) 586-2625

KEALI'I S. LOPEZ
INTERIM DIRECTOR

GLEN CHOCK
ACTING CABLE TELEVISION
ADMINISTRATOR

June 27, 2011

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

Dear Mr. Barlow:

Re: Letter Order — Payment of Remaining 2011 Access Operating Fees and Capital Fund Payments to Olelo, Hoike, Na Leo, and Akaku

In accordance with Decision and Order ("D&O") Nos. 261, 291, and 346, Time Warner Entertainment Company, L.P. ("TWE") is required to pay an annual Access Operating Fee 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 required to make capital contributions to the PEG access organizations to acquire or purchase PEG access assets (i.e., facilities and equipment) pursuant to D&O No. 346 (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).

DCCA and each incumbent PEG access organization are in the process of signing supplemental agreements to extend their respective PEG access agreements for another six-month period from July 1, 2011 to December 31, 2011.

Accordingly, pursuant to Hawaii Revised Statutes section 440G-12; Sections 4.2(c), 12.8, and 12.9 of D&O No. 173, as amended; Sections 4.2(c), 12.8, and 12.9 of D&O No. 174, as amended; Sections 4.2(b), 12.8, and 12.9 of D&O No. 185, as amended; Sections 4.2(c), 12.8, and 12.9 of D&O No. 241, as amended; and Sections 4.2(c), 11.8, and 11.9 of D&O No. 291, as amended; Section II.D of D&O No. 321; Sections II.A and II.B of D&O No. 335, Section II.C of D&O No. 345; and Sections IV.I and IV.J of D&O No. 346, DCCA hereby directs TWE to:

1. Pay the remaining fifty percent (50%) of the respective 2011 Access Operating Fees, subject to the provisions in this Letter Order, to Olelo, Na Leo, Hoike, and Akaku on or about July 1, 2011.
2. By separate check, pay the remaining fifty percent (50%) of the respective 2011 capital fund payments, subject to the provisions in this Letter Order, to Olelo, Na Leo, Hoike, and Akaku on or about July 1, 2011.
3. TWE shall maintain separate accounting records for the 2011 Access Operating Fees and capital fund payments attributable to each PEG access organization. Upon request from DCCA, TWE shall promptly provide DCCA with documentation of the bank accounts and accounting records regarding the 2011 Access Operating Fees and capital contributions.
4. TWE may recover reasonable costs of administering the bank accounts, including the tax impact of any interest earned, from the interest on the accounts.
5. Any interest earned on the bank accounts shall be prorated and disbursed at a later date. TWE shall maintain separate accounting records for any interest earned on the 2011 Access Operating Fees and for any interest earned on the capital contributions.

Thank you for your attention to and cooperation in this matter. Please call me if you have any questions. Thank you for your assistance and cooperation in this matter.

Sincerely,



GLEN CHOCK
Acting Cable Television Administrator

c: Keali'i Lopez, Director
Brian Kang, Esq.
Russell Saiki, TWE
Roy Amemiya, Olelo
J Robertson, Hoike
Juergen Denecke, Na Leo
Jay April, Akaku
Marlon Wedemeyer (HENC)
Clyde Sakamoto, Chancellor (MENC)