

CABLE DIVISION
COMMERCIAL AND
CONSUMER AFFAIRS

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August 15, 2012

Watanabe Ing.
A LIMITED LIABILITY LAW PARTNERSHIP

VIA HAND DELIVERY

Mr. Donn Yabusaki
Administrator
Cable Television Division
Department of Commerce & Consumer Affairs
King Kalakaua Building
335 Merchant Street, Room 101
Honolulu, Hawaii 96813

**Re: Request to Consolidate Renewal Proceedings and
Issuance of Consolidated Franchise for Maui County
(excluding Lahaina) and Lahaina / West Maui**

Dear Mr. Yabusaki:

This letter responds to the Cable Television Division's request for additional information to support Time Warner Entertainment Company, L.P. dba Oceanic Time Warner Cable's ("Oceanic") request that the Department of Commerce and Consumer Affairs consolidate the renewal proceedings for the Maui County (excluding Lahaina) and Lahaina / West Maui franchises, and for the issuance of a single consolidated franchise order for both areas.

Oceanic believes the consolidation of the renewal proceedings and the franchises will not negatively impact subscribers or other stakeholders in Maui County, and instead will result in increased efficiency in the renewal process and the administration of the franchise for the islands of Maui, Molokai and Lanai. As a result of various infrastructure and technical upgrades over the years, subscribers across Maui County receive substantially the same cable television services from Oceanic, including identical digital channel lineups (and substantially the same analog channel lineups).¹ In addition, Oceanic's customer service standards are uniform across Maui County, and Oceanic maintains customer service offices in Kahului, Lahaina, Molokai and Lanai. As the Department is further aware, although there are currently two franchises for Maui

¹ Two local stations, KWHM (Channel 3) and KAAH-26 (Channel 26) are available in Kahului only.

Mr. Donn Yabusaki
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County, there is only one public access entity for the county, which services subscribers on Maui, Molokai and Lanai. Finally, Oceanic notes that the franchises for Maui County (excluding Lahaina) and Lahaina / West Maui both expire on December 31, 2013. Accordingly, in many critical aspects, the Maui County franchises are functionally and substantially similar.

Given the foregoing, Oceanic believes that the consolidation of the renewal proceedings for the Maui County franchises will result in a more efficient, cost-effective, convenient and expedient process, as subscribers, various stakeholders, the Department and the community will benefit from the elimination of potentially duplicative processes, and all interested parties can focus on the services to be provided to Maui County as a whole. Going forward, and for the same reasons, Oceanic also believes that a single consolidated franchise covering Maui County will provide similar operational and administrative efficiencies for all stakeholders, and will ensure that all subscribers in Maui County will benefit from the terms of a single consolidated franchise order.

Thank you for the opportunity to provide additional information on this matter. Please do not hesitate to contact the undersigned should you have any questions regarding the foregoing. Again, we look forward to working with the Cable Television Division of the Department of Commerce and Consumer Affairs in the renewal process.

Very truly yours,

WATANABE ING LLP



BRIAN A. KANG

cc: Oceanic Time Warner Cable



NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR

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

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KEALI'I LOPEZ
DIRECTOR

DONN YABUSAKI
CABLE TELEVISION ADMINISTRATOR

August 16, 2012

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

Re: Request to Consolidate Renewal Proceedings and Issuance of
Consolidated Franchise for Maui County (excluding Lahaina) and
Lahaina/West Maui

Dear Mr. Kang:

By letter dated August 15, 2012, Time Warner Entertainment Company, L.P. dba Oceanic Time Warner Cable ("Oceanic") requested approval to consolidate the renewal proceedings for its Maui County (excluding Lahaina) and Lahaina/West Maui cable franchises, and for the issuance of a single consolidated franchise order for both systems.

Based upon the representations by Oceanic that the consolidation of the renewal proceedings will not negatively impact subscribers or other stakeholders and will result in increased efficiency in the renewal process, the Department will accept a single set of the written application and exhibits which incorporate both franchise renewals on Maui County. Subsequent submissions may also be on a consolidated basis. The Department, however, requests that Oceanic submit a separate filing fee of \$1,000.00 for each franchise renewal. Please note that the State is not modifying or waiving any term or condition of the franchises in allowing the renewal applications to be submitted in this form. In addition, this letter does not constitute notice of acceptance for filing of an application pursuant to Hawaii Administrative Rules §16-133-28.

Regarding Oceanic's request for the issuance of a single consolidated franchise covering the entire Maui County, the Department will consider this request as we

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proceed with the community needs ascertainment process and the renewal proceedings.

If you have any questions on this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Donn Yabusaki". The signature is written in a cursive, slightly slanted style.

DONN YABUSAKI
Cable Television Administrator

c: Keali'i S. Lopez, Director
Rodney Tam, Esq., Department of the Attorney General
Tonya Moffitt, Merina & Company, LLP