

CABLE DIVISION
COMMERCE AND
CONSUMER AFFAIRS

Watanabe Ing LLP
A LIMITED LIABILITY LAW PARTNERSHIP

2009 MAY 22 A 11: 00

May 22, 2009

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VIA HAND DELIVERY

Mr. Clyde S. Sonobe
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 East Hawaii and
West Hawaii Franchises**

Dear Mr. Sonobe:

Thank you for your letters dated May 8, 2009 acknowledging receipt of Time Warner Entertainment Company, L.P. dba Oceanic Time Warner Cable's ("Oceanic") notices of intent to seek renewal of its East Hawaii and West Hawaii franchises, respectively. This responds to the Department's request for additional information to support Oceanic's request to consolidate the renewal proceedings for the East Hawaii and West Hawaii 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, and instead will result in increased efficiency in the renewal process and the administration of the franchise for the island of Hawaii. As a result of various infrastructure and technical upgrades, subscribers in both East Hawaii and West Hawaii currently receive substantially the same services from Oceanic, including identical digital channel lineups (and substantially the same analog channel lineups).¹ In addition, Oceanic's customer

¹ There are currently slight differences in the channel lineups between East Hawaii and West Hawaii with respect to analog channel numbers 6, 28 and 46. The Kohala area receives the same channels as West Hawaii.

Mr. Clyde Sonobe
May 22, 2009
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service standards are uniform across the Big Island, and Oceanic maintains customer service and operations offices in both Hilo and Kona. As the Department is further aware, although there are currently two franchises for the Big Island, there is only one PEG entity on the island, Na Leo Community Television, which services subscribers in both East Hawaii and West Hawaii. Finally, Oceanic notes that the franchises for East Hawaii and West Hawaii both expire on December 31, 2011. Accordingly, in many critical aspects, the East Hawaii and West Hawaii franchises are functionally and substantially similar, if not the same.

Given the foregoing, Oceanic believes that the consolidation of the renewal proceedings for East Hawaii and West Hawaii 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 the Big Island as a whole. Going forward, and for the same reasons, Oceanic also believes that a single consolidated franchise covering the entire Big Island will provide similar operational and administrative efficiencies for all stakeholders, and will ensure that all subscribers on the Big Island 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

LINDA LINGLE
GOVERNOR



LAWRENCE M. REIFURTH
DIRECTOR

JAMES R. AIONA, JR.
LT. GOVERNOR

CLYDE S. SONOBE
CABLE TELEVISION ADMINISTRATOR

STATE OF HAWAII
CABLE TELEVISION DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
335 MERCHANT STREET
P. O. BOX 541
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(808) 586-2620
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August 13, 2009

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 East Hawaii and West Hawaii
Franchises

Dear Mr. Kang:

By letter dated May 22, 2009, Time Warner Entertainment Company, L.P. dba Oceanic Time Warner Cable ("Oceanic") requested approval to consolidate the renewal proceedings for its East Hawaii and West Hawaii cable franchises, and for the issuance of a single consolidated franchise order for both systems.

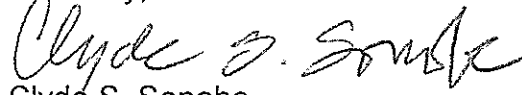
Based upon the representations by Oceanic that the consolidation of the renewal proceedings will not negatively impact subscribers or other stakeholders and will result in increased efficiency in the renewal process, the Department will accept a single set of the written application and exhibits which incorporate both franchise renewals on the island of Hawaii. 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 island of Hawaii, the Department will consider this request as we proceed with the community needs ascertainment process and the renewal proceedings.

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

Sincerely,

A handwritten signature in black ink that reads "Clyde S. Sonobe". The signature is written in a cursive style with a large, stylized "C" and "S".

Clyde S. Sonobe
Cable Television Administrator

c: Lawrence M. Reifurth, Director
Rodney Tam, Department of the Attorney General
John Merina, Merina & Company, LLP