



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 S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

VIA EMAIL & U.S. MAIL

December 21, 2012

Mr. Bob Barlow
President
Oceanic Time Warner Cable LLC
200 Akamainui Street
Mililani, HI 96789-3999

Dear Mr. Barlow:

Re: Letter Order — Payment of 2013 Access Operating Fees and
Capital Fund Payments to Hoike, Na Leo, and Akaku

In accordance with Decision and Order ("D&O") Nos. 261 and 291, Oceanic Time Warner Cable LLC ("OTWC")¹ 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 on the neighbor islands. There are currently three (3) PEG access organizations on the neighbor islands: Hoike - Kauai Community Television, Inc. ("**Hoike**"), Na Leo O Hawaii, Inc. ("**Na Leo**"), and Akaku: Maui Community Television ("**Akaku**").

OTWC is also required to make capital contributions to these PEG access organizations to acquire or purchase PEG access assets (i.e., facilities and equipment) pursuant to 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).

¹ By Decision and Order No. 356, DCCA granted Time Warner Entertainment Company, L.P.'s request to transfer its Hawaii cable franchises to Oceanic Time Warner Cable LLC as part of an internal reorganization of parent Time Warner Cable. OTWC agreed to comply with the terms and conditions of TWE's Hawaii cable franchises and applicable State and federal law.

DCCA and each neighbor island PEG access organization subsequently agreed to extend its respective PEG access agreement for another six-month period from January 1, 2013 to June 30, 2013.

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;² 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;³ 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; and Sections II.A and II.B of D&O No. 335, Section II.C of D&O No. 345, DCCA hereby directs OTWC to:

1. Pay fifty percent (50%) of the respective 2013 Access Operating Fees, subject to the provisions in this Letter Order, to Na Leo, Hoike, and Akaku on or about January 31, 2013.
2. Maintain the remaining fifty (50%) balance of the 2013 Access Operating Fees in an interest bearing account in any federally insured financial institution authorized in the State of Hawaii.
3. By separate check, pay fifty percent (50%) of the respective 2013 capital fund payments, subject to the provisions in this Letter Order, to Na Leo, Hoike, and Akaku on or about January 31, 2013.
4. Maintain the remaining fifty (50%) balance of the 2013 capital fund payments in an interest bearing account in any federally insured financial institution authorized in the State of Hawaii.
5. OTWC shall maintain separate accounting records for the 2013 Access Operating Fees and capital fund payments attributable to each neighbor island PEG access organization. Upon request from DCCA, OTWC shall promptly provide DCCA with documentation of the bank accounts and accounting records regarding the 2013 Access Operating Fees and capital contributions.
6. Upon further direction by the Director, OTWC shall disperse the remaining amounts of 2013 Access Operating Fees and capital contributions in the bank accounts to the PEG access organizations or to the Director's designee.

² The franchise term for OTWC's West Hawaii System was extended to February 8, 2013 by Letter Order dated December 4, 2012.

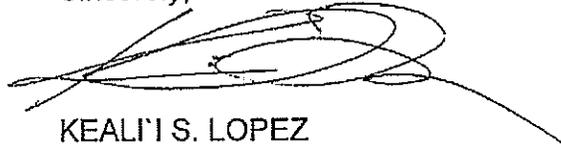
³ The franchise term for OTWC's East Hawaii System was extended to February 8, 2013 by Letter Order dated December 4, 2012.

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7. OTWC 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 at a later date. OTWC shall maintain separate accounting records for any interest earned on the 2013 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,

A handwritten signature in black ink, appearing to read 'KEALI'I S. LOPEZ', with a long horizontal flourish extending to the right.

KEALI'I S. LOPEZ
Director
Department of Commerce and
Consumer Affairs

c: Donn Yabusaki, CATV
Brian Kang, Esq.
Russell Saiki, OTWC
J Robertson, Hoike
Donna Dunham, Na Leo
Jay April, Akaku
Marlon Wedemeyer (HENC)
Clyde Sakamoto, Chancellor (MENC)