

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

NEIL ABERCROMBIE GOVERNOR

SHAN S. TSUTSUI

335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/deca KEALI'I S. LOPEZ DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

VIA EMAIL & U.S. MAIL

November 21, 2014

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

> Re: Amended Application for Renewal of East Hawai`i and West Hawai`i Cable Franchises by Time Warner Entertainment Company, L.P. through its Hawai`i Division, Oceanic Time Warner Cable

Dear Mr. Kang:

On July 20, 2011, Time Warner Entertainment Company, L.P., through its Hawai'i Division, Oceanic Time Warner Cable ("**TWE**") submitted a written application to the Department of Commerce and Consumer Affairs ("**DCCA**") which incorporated renewals of its East Hawai'i and West Hawai'i cable franchises ("**Application**"). By letter dated August 4, 2011, DCCA accepted TWE's Application for filing.

DCCA and TWE conducted discussions on components of a renewed franchise, and subsequently agreed on October 13, 2011, to extend the time for DCCA to make a decision on the Application to December 31, 2011. On December 14, 2011, DCCA and TWE agreed to further extend the time for DCCA to make a decision on the Application from December 31, 2011 to March 1, 2012. DCCA and TWE subsequently met to discuss proposed terms of the consolidated Big Island franchise, and mutually agreed on February 24, 2012, to a further extension to April 16, 2012. DCCA and TWE thereafter agreed to extensions to May 31, 2012, September 5, 2012, October 23, 2012, December 7, 2012, February 8, 2013, March 11, 2013, May 31, 2013, November 19, 2013, February 19, 2014, June 19, 2014, September 30, 2014, and November 30, 2014.

Pursuant to Decision and Order No. 355, issued on September 21, 2012, DCCA granted TWE's request to assign or transfer all of its Hawai'i cable franchises to Oceanic Time Warner Cable LLC ("**OTWC**"), subject to the completion of Time Warner

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Cable's ("**TWC**") internal reorganization. On October 15, 2012, OTWC informed DCCA that TWC's internal restructuring closed effective September 30, 2012 and that all cable assets in Hawai`i, which included the East and West Hawai`i franchises, were transferred to OTWC. On February 8, 2013, OTWC submitted to DCCA its First Amended Application for Renewal of East Hawaii and West Hawaii Cable Television Franchises ("**Amended Applications**").

Subsequently, in 2014, Comcast Corporation ("**Comcast**") and Time Warner Cable, Inc. (parent company of OTWC) submitted an application for transfer of control of OTWC's Hawai`i cable franchises to Comcast ("**Proposed Transaction**"). On October 8, 2014, in Decision and Order No. 362, DCCA approved the transfer of control; however, the Proposed Transaction is currently contingent upon approval of the Federal Communications Commission and the United States Department of Justice.

In view of the continuing discussions regarding the franchise renewals, DCCA and OTWC hereby mutually agree (as acknowledged below) to extend the terms for OTWC's East Hawai`i franchise and West Hawai`i franchise from November 30, 2014 to March 20, 2015. In addition DCCA also extends the time for it to make a decision on the Amended Applications for renewal from November 30, 2014 to March 20, 2015.

Please sign and return the original letter back to DCCA. Thank you for your continuing cooperation in this matter.

Sincerely, KEALI'I S. LOPEZ Director

Approved and agreed:

c: Catherine P. Awakuni, Cable Television Administrator Department of the Attorney General