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GOVERNOR

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

Dear Mr. Barlow:

Re: Letter Order — Payment of 2013 Access Operating Fees and  
Capital Fund Payments to 'Ōlelo

In accordance with Decision and Order ("D&O") No. 346, Oceanic Time Warner Cable LLC ("OTWC")<sup>1</sup> is required to pay an annual Access Operating Fee ("AOF") to the public, educational, and governmental ("PEG") access organization that the Department of Commerce and Consumer Affairs ("DCCA") contracted with to provide PEG access services to the public on Oahu. There is currently one (1) PEG access organization on Oahu: 'Ōlelo Community Media ("Ōlelo").

DCCA and 'Ōlelo 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 and Sections IV.I. and IV.J of D&O No. 346, DCCA hereby directs TWE to:

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<sup>1</sup> 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.

1. OTWC shall pay fifty percent (50%) of the respective 2013 AOF, subject to the provisions in this Letter Order, to 'Ōlelo on or about January 31, 2013.

For the AOF calculation, the U.S. Department of Labor Consumer Price Index for Urban Honolulu is 248.646. For your convenience, here is the 2013 AOF calculation pursuant to D&O 346:

CPI for most current period	248.646
Less CPI for same period in prior year	241.902
Equals change in CPI	6.744
Change in CPI divided by CPI for same period in prior year	$1 + (6.744/241.902)$
Equals	1.028
Payments made in 2012	\$4,887,182
Payment for 2013 equals payment for 2012 x 1.028	$\$4,887,182 \times 1.028 =$
Compared with 3% of gross revenue from prior year. The AOF to be paid in 2013 is the lesser amount	\$5,024,023 <sup>2</sup>

2. OTWC shall maintain the remaining fifty (50%) balance of the 2013 AOF in an interest bearing account in a federally insured financial institution authorized in the State of Hawaii.
3. OTWC shall maintain separate accounting records for the 2013 AOF to 'Ōlelo. Upon request from DCCA, OTWC shall promptly provide DCCA with documentation of the bank account and accounting records regarding the 2013 AOF.
4. Upon further direction by the Director, OTWC shall disperse the remaining amounts of 2013 AOF in the bank account to 'Ōlelo or to the Director's designee.
5. OTWC may recover reasonable costs of administering the bank account, including the tax impact of any interest earned, from the interest on the account.
6. Any interest earned on the bank account shall be prorated and disbursed at a later date. OTWC shall maintain separate accounting records for any interest earned on the 2013 AOF.

The amount of the 2013 capital fund payments have been addressed in other Orders issued by the Department.

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<sup>2</sup> Subject to an adjustment after a franchise fee review.

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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', written in a cursive style.

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

c: Donn Yabusaki, CATV  
Roy Amemiya, 'Ōlelo  
Brian Kang, Esq., WI  
Russell Saiki, OTWC  
Marlon Wedemeyer, HENC