



DAVID Y. IGE  
GOVERNOR  
SHAN S. TSUTSUI  
LT. GOVERNOR

STATE OF HAWAII  
CABLE TELEVISION DIVISION  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
335 MERCHANT STREET  
P.O. Box 541  
HONOLULU, HAWAII 96809  
(808) 586-2620  
FAX (808) 586-2625

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JI SOOK "LISA" KIM  
CABLE TELEVISION ADMINISTRATOR

October 27, 2017

VIA EMAIL AND U.S. MAIL

J. Douglas Ing, Esq.  
Jeffrey T. Ono, Esq.  
David Y. Nakashima, Esq.  
Watanabe Ing LLP  
First Hawaiian Center  
999 Bishop Street, Suite 1250  
Honolulu, Hawai'i 96813

Re: Cincinnati Bell Inc./Hawaiian Telcom Holdco, Inc./Hawaiian Telcom  
Services Company, Inc.: Transmittal of Information Requests

Dear Messrs. Ing, Ono, and Nakashima:

Pursuant to Hawaii Administrative Rules § 16-133-12 we are transmitting another set of Information Requests ("IRs") regarding the transfer of control of Hawaiian Telcom Services Company, Inc.'s cable franchise from Hawaiian Telcom Holdco, Inc. to Cincinnati Bell Inc. ("**Proposed Transaction**"), which are attached. This "Information Requests Issued on October 27, 2017" is being issued for clarification purposes and are based, in part, on concerns raised at the public hearing and Cable Advisory Committee meeting held regarding the Proposed Transaction.

Please provide six copies (original plus 5 copies) of your written responses to the attached IRs to the Cable Television Division of the Department of Commerce and Consumer Affairs ("**DCCA**") by Tuesday, November 7, 2017. Additional clarifying IRs may be forthcoming based upon our review of your responses. Delay in providing IR responses by the requested date or if we find them to be incomplete or unresponsive, may impact DCCA's issuance of its decision regarding the Proposed Transaction.

J. Douglas Ing, Esq.  
Jeffrey T. Ono, Esq.  
David Y. Nakashima, Esq.  
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If you have any questions on the above, please contact me at (808) 586-2620.  
Thank you for your cooperation and assistance in this matter.

Sincerely,



Ji Sook "Lisa" Kim  
Cable Television Administrator

Attachment

c: Catherine P. Awakuni Colón, DCCA  
Christopher J. Wilson, Esq., Cincinnati Bell Inc.  
Andrew D. Lipman, Esq., Attorney for Cincinnati Bell Inc.  
Russel M. Blau, Esq., Attorney for Cincinnati Bell Inc.  
Joshua M. Bobeck, Esq., Attorney for Cincinnati Bell Inc.  
Steven P. Golden, Hawaiian Telcom Holdco, Inc.  
John T. Komeiji, Esq., Hawaiian Telcom Services Company, Inc.  
Department of the Attorney General

Hawaiian Telcom and Cincinnati Bell Transaction  
Joint Application for Transfer of Control of the Cable Television Franchise  
Held by Hawaiian Telcom Services Company, Inc.

Information Requests Issued on October 27, 2017

These Information Requests (“**IRs**”) are being issued pursuant to Hawai‘i Administrative Rules § 16-133-12. Each response should be made separately, and copies of source documents should specifically reference the IR being answered. The certification provided by Hawaiian Telcom Holdco, Inc. (“**Holdco**”) and Cincinnati Bell Inc. (“**Cincinnati Bell**”) (collectively, with Hawaiian Telcom Services Company, Inc. (“**HTSC**”), “**Applicants**”, as applicable) in the State of Hawaii Application for Transfer of Cable Television Franchise, filed on August 11, 2017 (“**Application**”), concerning the accuracy of the information is also applicable to Applicants’ responses to these IRs.

Each of the responses should be as complete and detailed as possible, and to the extent that an IR or any subpart thereof may not be applicable, Applicants must state why the IR or subpart is not applicable. In addition, for any IR that requires follow-up, the required information must be submitted immediately upon receipt of that information.

1. During the public hearing on October 5, 2017, testimony was given regarding the need for DCCA to require Cincinnati Bell/HTSC to implement a line extension policy similar to the policy currently utilized by Oceanic Time Warner Cable (“**OTWC**”)/Charter Communications (“**Charter**”), should the Proposed Transaction be approved and effectuated.
  - (a) Does Cincinnati Bell have line extension policies in its mainland cable franchises? If yes, please describe the extension policies in each franchise area.
  - (b) Does Cincinnati Bell have any reasons for or against the adoption of a line extension policy similar to OTWC/Charter’s policy of twenty-five (25) homes per a mile?
  - (c) What are the repercussions of DCCA requiring the adoption of a line extension policy as a transfer condition? Would such a requirement be necessary and appropriate, given the build-out and/or service area commitments set forth in HTSC’s current cable television franchise agreement?

2. During the Cable Advisory Committee (“CAC”) meeting on October 19, 2017, a comment was made which raised concerns about Hawai`i’s senior citizens.
  - (a) Would Cincinnati Bell commit to provide cable service discounts to multiple dwelling unit customers that deliver care and assistance to senior citizens?
  - (b) Would Cincinnati Bell commit to provide senior citizen cable service discounts for individual cable subscribers in its cable franchise area?
3. During the CAC meeting on October 19, 2017, public comment was made which raised concerns over rate and billing transparency. If the Proposed Transfer is approved and completed, how will Cincinnati Bell address concerns regarding its rate and billing transparency?
4. In Cincinnati Bell’s Response to Information Requests Issued on September 12, 2017, IR 3(a), Applicants stated the following:

HTSC currently offers federal broadband Lifeline in CAF II census blocks, although no customers have currently subscribed to this offer. HTSC’s “Premium” internet service tier, at 12-15 Mbps download/1 Mbps upload, current promotional rate of \$19.95/month meets the FCC’s current Lifeline Broadband standard of 10 Mbps download/1 Mbps upload. The FCC’s new standard of 15 Mbps download//2 Mbps upload takes effect on December 1, 2017. The current HTSC commercial offer that meets this revised minimum standard is “Extreme” (15-20 Mbps download/3 Mbps upload) with a current promotional rate of \$24.95/month.

- (a) Please confirm whether HTSC’s “Premium” Internet service tier is also used as HTSC’s “broadband Lifeline” program (i.e., customers enrolled in the “Premium” service tier are eligible to receive the Lifeline discounted rate) or are these service offerings separate and apart from each other? If these service offerings are separate and apart, please describe in detail each offering and program parameters and enrollment requirements.
- (b) What are the current requirements or parameters to enroll in HTSC’s “Premium” internet service tier that meets current Lifeline Broadband standards? What are the requirements or parameters for HTSC’s “Extreme” internet service tier?

- (c) How many customers are currently enrolled in HTSC's "Premium" internet service tier which is purported to meet the current Lifeline Broadband standards? How long do customers receive the promotional rate of \$19.95/month? What is the monthly rate for this program once the promotional period has expired?
  - (d) How many customers are currently enrolled in HTSC's "Extreme" internet service tier which is purported to satisfy the FCC's new Lifeline Broadband standards? How long do customers receive the promotional rate of \$24.95/month? What is the monthly rate for this program once the promotional period has expired?
  - (e) What were HTSC's "Premium" and "Extreme" service tier enrollment figures for 2014, 2015, and 2016?
5. Provide an update and additional information regarding Cincinnati Bell's study of the possibility of merging Holdco and Hawaiian Telecom Communications, Inc. into the parent corporation. Given Applicants' request for DCCA approval and authorization of the *pro forma* transfer or reorganization, please describe in detail the benefits and impacts this possible merger would provide HTSC and Cincinnati Bell.
6. What is Cincinnati Bell's current credit rating? How does it compare to other similarly-sized cable multi-system operators? If approved, how will the Proposed Transaction impact Cincinnati Bell's credit rating?
7. What is Cincinnati Bell's current debt to equity ratio? How does this compare to other similarly-sized cable multi-system operators? If approved, how will the Proposed Transaction impact HTSC's debt to equity ratio?