

**BEFORE THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS
OF THE STATE OF HAWAII**

In the Matter of the Revocation or Alteration)
of the CATV Permit of)
)
KAISER TELEPROMPTER OF HAWAII, INC.)

DOCKET NO. 01-82-01
ORDER NO. 100

ORDER

On December 13, 1982, by Order No. 91, the Department of Commerce and Consumer Affairs (hereinafter "Department") ordered Kaiser Teleprompter of Hawaii, Inc. (hereinafter "Kaiser") to provide it within 45 days of the signing of Order No. 91 with reasons why its cable permit should not be revoked for its failure to comply with Sections 16-131-30, Minimum Channel Capacity, and 16-131-31, Two-Way Communications, of the rules relating to the Hawaii Cable Television Systems Law.

After requesting for a 120-day postponement of the due date for submission of a defense against revocation of its cable permit, Kaiser, by letters dated March 23, 1983, July 5, 1983, and August 10, 1983, made various proposals for the modification and reconstruction of its cable system to conform with the foregoing minimum channel capacity and two-way communications requirements.

The Department, by letter dated September 9, 1983, responded to these proposals with comments clarifying its understanding of the Kaiser proposals as well as advancing certain additional requirements for the proposed rebuild plan.

Kaiser, by letter dated October 3, 1983, made its final proposal for the modification and reconstruction of its cable system. In its letter, Kaiser included, in addition to the matters covered in the Department's September 9, 1983 letter, certain "economic" and "other" considerations as part of its proposed change.

Upon review and consideration of the Kaiser's proposals for the modification and reconstruction of Kaiser's cable system, the Department approves the following general specifications, offerings, timetables and capital commitments:

I. Cable Television System Rebuild.

Kaiser shall rebuild its cable television system as follows:

- A. Replace all existing trunk and distribution cables, unless the Department or its consultant determines otherwise, to achieve 300 MHz cable;
- B. Replace trunk and/or distribution (bridging) amplifiers with Jerrold SJ series amplifiers, or any other equivalent or better amplifier, for the purpose of achieving a minimum of 300 MHz operations, such amplifiers being capable of retrofitting for two-way communications;
- C. Redesign the system for 300 MHz operations, requiring an increased number of amplifiers and additional power supplies;
- D. Replace all cable taps and such other passive devices unless the Department or its consultant determines otherwise, to allow for 300 MHz operations;
- E. Inspect and repair or replace cable drops, unless the Department or its consultant determines otherwise; and
- F. Upgrade the Kaiser headend facility, such upgrading to consist of (1) addition of equipment to increase the channel capacity of the cable system for the purpose of delivering additional program services such as those listed on Attachment "A" hereto; (2) installation of housings and racks to accommodate the aforesaid additional equipment; (3) extensive modifications to headend electrical work; (4) installation of a new air conditioning system; and (5) installation of a headend standby power supply.

II. Service Offerings.

- A. Upon completion of the rebuild, Kaiser shall provide its subscribers with program services in parity with those enjoyed by all other Oahu cable subscribers;
- B. Kaiser shall provide timetable converters to each basic service subscriber upon completion of the construction phase in which subscriber service would be located; and
- C. Kaiser shall provide local origination equipment worth in excess of \$25,000 as indicated in Kaiser's March 24, 1983 Response.

III.

Construction Timetable.

1. Kaiser shall complete preliminary design and construction work in 1983 with rebuild construction to be completed in 1984.
2. Within 30 days of this order, Kaiser will provide:
 - (a) Documentation showing purchase orders of equipment and material for 50% of the plant to be rebuilt;
 - (b) Documentation showing purchase orders of converters that will be provided to all basic service subscribers; and
 - (c) Name and qualification of individual responsible for overseeing supervising or otherwise managing the rebuild project;
3. Within 60 days of this Order, Kaiser shall submit to the Department a construction schedule that will include:
 - (a) Commencement date for construction within 90 days of the order;
 - (b) Minimum of four construction phases of the trunk and feeder lines—each phase representing a specific area within Kaiser's total service area;
 - (c) Provision for the rebuild of the headend facilities within the first construction phase; and
 - (d) Deadline for rebuild completion within 10 months of construction commencement.
4. Within 90 days of this Order, Kaiser will provide the Department with:
 - (a) A construction bond for \$1 million or half of the total cost of the rebuild, whichever is greater;
 - (b) Stand or duct maps of early construction rebuild phases;
 - (c) Description of tuneable converters to be used;
 - (d) Schedule for converter distribution; and
 - (e) A listing of services to be offered as each construction and converter phase is completed.
5. All final plans, specifications designs and timetables shall be subject to the Department's approval. Furthermore, all completed construction shall be subject to the Department's or its consultant's approval upon inspection and testing.
6. Kaiser shall expend approximately \$2 million for rebuilding and modifying its cable system (including the installation of converters).

Approval of all changes in rates and charges for services provided by Kaiser shall be given by the Department only after: (1) public and other hearings have been held to give the public and other interested parties an opportunity to participate in this regulatory rate proceeding; and (2) finding that such rates and charges are fair both to the public and the cable company.

DATED: Honolulu, Hawaii, November 14, 1983.


MARY G.F. BITTERMAN
Director of Commerce
and Consumer Affairs

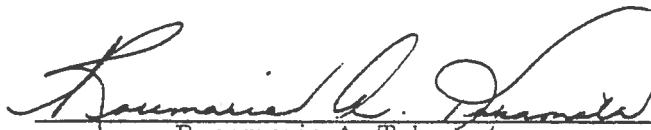
CERTIFICATE OF SERVICE

I hereby certify that I have this date served copies of the foregoing upon the following parties, by causing copies hereof to be mailed, postage prepaid, properly addressed, or delivered, to the following:

Mr. Louis J. Briskman
Group W Cable, Inc.
888 Seventh Avenue
New York NY 10106

R. Charles Bocken, Esq.
810 Richards Street, 10th Floor
Honolulu HI 96813

DATED: Honolulu, Hawaii, November 14, 1983.


Rosemarie A. Takamoto
Secretary