

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

In the Matter of)	
)	
MAUI CAMP CABLE TELEVISION)	ORDER NO. 101
)	
Amendment of Rates and Charges and)	DOCKET NO. 47-83-01
Extension of Cable Permit No. 47)	
<u>to Include Lanai and Molokai</u>)	


ORDER

On May 13, 1983, MAUI CAMP CABLE TELEVISION ("Maui Camp"), a limited partnership, filed an application with the Director of Commerce and Consumer Affairs ("Director") requesting (1) an extension of Cable Permit No. 47 to include authorization to provide cable communication services to the islands of Lanai and Molokai (Census Tracts 316, 317, 318 and 319); and (2) approval of the attached amendments to its rates and charges.

After reviewing all pertinent information and testimony relating to the above request, the Director hereby grants approval to the request subject to the conditions contained hereinafter. The conditions for approval are:

- (1) Maui Camp shall provide as part of its basic service rate a converter to each residential subscriber.
- (2) Construction of cable facilities shall be completed, and service to all potential subscribers of Lanai and Molokai shall commence by December 31, 1984.

Dated at Honolulu, Hawaii, November 29, 1983.


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

1. **PUBLIC NEED FOR PROPOSED EXTENSION OF MAUI CABLE TELEVISION'S SERVICE AREA.**

The emphasis of cable communications until the 1970s was upon the retransmission of commercial broadcast signals to subscribers of communities with marginal to no off-air signals. However, the last ten years have seen non-commercial programming emerge as a key incentive to the growth of cable communication facilities in areas with adequate broadcast signals. In suburban and rural areas with limited professional entertainment and sports facilities, the appetite for diverse program offerings has created a demand for the non-commercial as well as long distance programming offered by cable communications. This has been especially true in the small island communities of Maui, Lanai and Molokai. (Lanai Transcript, pp. 16 & 17.)

Separation by water of the Lanai and Molokai communities from the educational and cultural opportunities and offerings of the island of Maui has been advanced as a key reason for enlargement of Camp's permit to include Lanai and Molokai. Some of the educational and cultural opportunities cited include:

1. Extension and continuing education offerings of the Maui Community College. (Maui Transcript, pp. 19 & 20.)
2. Sports activities of the Maui Interscholastic League. (Molokai Transcript, pp. 27 & 28.)
3. Educational offering of the Maui District Office of the State Department of Education.

Requirements of the state that Camp have direct feed via interisland microwave signal delivery for its Maui cable system has resulted in the construction of interisland microwave and receive transmission facilities on Lanai and Molokai. With microwave facilities in place on each of these islands, delivery of the cable signals to Lanai and Molokai subscribers approach economic feasibility and enhance progress to the goal of the state Legislature of extending cable communication facilities to all potential subscribers throughout the state at the earliest possible date.

It must be emphasized that the turnout for the public hearing at Lanai City was exceptional showing an expressed need for cable services.

2. APPLICANT'S ABILITY TO PROVIDE SERVICE AT REASONABLE RATES.

For purposes of analyzing this application under the criteria set forth in Section 440G-8(b), HRS, subpart 2 (ability of applicant to offer services at reasonable cost to the subscribers) and subpart 5 (ability of the applicant to perform efficiently the service for which the authority is requested) are essentially the same criterion, and therefore will be analyzed together in this section.

In June 1983, the Applicant filed an application to amend its rates and charges as well as extend its present service area to include Lanai and Molokai. Applicant proposes to increase its basic monthly service charges by \$2.58, additional outlet charges by \$1.65, and other non-recurring installation charges. (See Schedule B of application.)

There is no question that cable services are wanted and needed on Lanai and Molokai. The real question is how best should service be provided to these island communities. In this case the only applicant requesting to provide service is Maui Camp Cable Television. An analysis was conducted with two questions in mind: (1) Is the rate increase needed to cover increased expenses on Maui or (2) needed to cover losses in providing services to Lanai and Molokai.

The following assumptions were used to determine revenues and expenses in providing cable services to Lanai and Molokai:

1. All capitalized expenditures will be expended in the first year.
2. Number of housing units is about 3,100.
3. Estimated number of residential subscriber is 1,300.

4. Estimated number of pay subscribers is 650.
5. Rates charged would be the proposed rates.
6. Expenses would be proportionately similar to those experienced by the Maui system.

Projections show that, before depreciation expenses but after interest, there is a small but positive net operating profit as shown in the Division's Exhibit 100. Therefore, it is not expected that providing cable services to Lanai and Molokai will be a burden to cable subscribers on Maui.

A more rigorous analysis was done to determine whether the proposed rate charges would provide the Applicant an excessive return. In determining the profitability of the company for years ending 1983 and 1984, a trending methodology was employed as a means to predict results for future time. Statistical data for years 1981, 1982 and part of 1983 were examined and used in developing a mathematical model that through statistical methods show high reliability between predicted results and actual results for past time periods. The Division's Exhibit 101 shows predicted results for both past time periods and future time for number of residential subscribers, additional outlets, and number of pay-TV subscribers.

The Division's Exhibit 102 shows projected revenues for years ending 1983 and 1984 based on existing as well as the proposed rates.

The Division's Exhibit 103 shows projected expenses for years 1983 and 1984. Expenses do not include interest, depreciation or amortization.

The Division's Exhibits 104 and 105 show plant additions, annual depreciation, and accumulated depreciation for different categories for years 1977 through 1982. Since Applicant used estimated service lives different from those used by the Division, an adjustment to future years depreciation expenses is made.

The Division's Exhibit 106 shows the method used to determine a "remaining life factor" which adjusts the depreciation expenses for future years taking into consideration past years depreciation expenses and Division's estimated service lives. Division's Exhibit 107 shows the adjusted annual depreciation expense for plant installed as of December 31, 1982.

The Division's Exhibit 108 & 109 show both past as well as future plant for years 1977 through 1984.

The Division's Exhibit 111 shows a projected income statement for years 1983 and 1984 based on the proposed rates and estimated service activities. The lower return on rate base for year 1984 is due to cost and additional plant to provide cable services to Lanai and Molokai.

The Division's Exhibit 112 shows a projected results for years 1983 and 1984 based on existing rates. In general it shows a reduction of rates of return to about 9% for year 1984, below what one might expect for one's investment. It is expected that construction will not be financed by cash flow alone, but that the Applicant will need to increase its debt or equity position.

For the above computations it was assumed that:

1. All proposed construction would be moved up in time and that construction would be complete by December 31, 1984; and
2. All basic residential subscribers would have a converter.

Projections for 1983 and 1984 show that based on the proposed rates there would not be excessive returns to the company.

3. SUITABILITY OF APPLICANT AND ABILITY OF APPLICANT TO PERFORM SERVICES FOR WHICH AUTHORITY IS REQUESTED.

Perhaps the best measure of suitability of an applicant to provide cable communications services to additional service areas such as Lanai and Molokai are:

1. Past performance in similar circumstances.
2. Alternatives available for providing cable services to those islands.

Maui Camp and its affiliate, Camp, Inc., have demonstrated in their service to such sparsely populated areas such as Hana and Kau a capacity to effectively and efficiently provide cable communications services to areas likely to be found unattractive to most cable operators. Maui Camp has provided cable services to the Hana District on the island of Maui since 1977. Camp, Inc. has provided cable services to the Naalehu and Pahala communities of the Ka'u District on the island of Hawaii since 1972. In both of these communities, Maui Camp and its affiliate have demonstrated an ability to economically provide cable services to communities which have potential subscriber households numbering less than a thousand and which are separated by a long distance from the nearest population centers.

Lanai with 760 households and Molokai with 2,349 households, respectively, form the second and third major components of the tri-island county of Maui. The sparsity of households on these islands together with a cost of providing minimal cable facilities comparable to those offered to other cable subscribers in the state makes the economic feasibility of providing cable services to these two islands marginal in the best of circumstances. Consequently, only a company with a larger subscriber base in the tri-island county and with facilities on those two islands would find providing cable communications services to Lanai and Molokai economically feasible. Maui Camp possessing microwave facilities on both of these islands in fulfillment of its cable permit requirements for "direct feed" of broadcast signals has already a significant investment on each of these islands which can substantially reduce the initial and continuing cost of providing cable services to both Lanai and Molokai, thus making cable services to these

islands economically feasible. Further, Maui Camp's permit area, which includes the county seat in Wailuku, makes it knowledgeable of the particular concerns and interest of the people of Lanai and Molokai relative to communications.

MAUI CAMP CABLE TELEVISION

	1984
REVENUES	265668
OPERATING EXPENSES	168973
NET OPERATING PROFIT	96695
INTEREST EXPENSES	92940
TAX. INC. BEFORE DEP. & AMORT.	3755
DEPRECIATION & AMORTIZATION	64542
TAX. INCOME	-60787

MAUI CAMP CABLE TELEVISION

	PROJECTED NUMBER OF RESIDENTIAL SUBSCRIBERS											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1981	4213	4321	4429	4537	4645	4753	4861	4969	5077	5185	5293	5401
1982	5509	5617	5725	5833	5942	6050	6158	6266	6374	6482	6590	6698
1983	6806	6914	7022	7130	7238	7346	7454	7562	7670	7778	7886	7994
1984	8102	8210	8318	8427	8535	8643	8751	8859	8967	9075	9183	9291

	PROJECTED NUMBER OF ADDITIONAL OUTLETS											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1981	1432	1469	1506	1543	1579	1616	1653	1690	1726	1763	1800	1836
1982	1873	1910	1947	1983	2020	2057	2094	2130	2167	2204	2241	2277
1983	2314	2351	2387	2424	2461	2498	2534	2571	2608	2645	2681	2718
1984	2755	2792	2828	2865	2902	2938	2975	3012	3049	3085	3122	3159

	PROJECTED NUMBER OF PAY-TV SUBSCRIBERS											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1981	2366	2409	3308	2497	2373	2575	3458	3232	4287	3734	3333	2058
1982	3234	3370	3926	3903	4013	4164	4678	4807	5115	4872	5084	5189
1983	5794	5861	6105	5950	5886	6051	6182	6354	6399	6472	6544	6616
1984	6689	6761	6834	6906	6978	7051	7123	7196	7268	7340	7413	7485

	1983		1984	
	present	proposed	present	proposed
MONTHLY SERVICE CHARGES				
FIRST OUTLET	705225	932661	829691	1097267
MULTIPLE OUTLET	29972	79426	35262	93444
MULTI-UNITS	119283	119511	118277	118503
SUB-TOTALS	735197	1012087	864953	1190711
MONTHLY PAY SERVICE CHARGES	846428	846428	1011088	1011088
INSTALLATION CHARGES				
basic services	42426	51864	45419	55629
pay services	53462	53462	49133	49133
OTHER INCOME	126500	126500	135700	135700
TOTALS	1804014	2090341	2106293	2442261

MAUI CAMP CABLE TELEVISION

	1983	1984
DIRECT OPERATING EXPENSES		
salaries & wages	150000	196500
employee benefits	62600	75600
general excise tax	83614	97690
vehicle operating expenses	14000	17000
power supplies	30000	36400
pay-tv program costs	287565	543440
copyright fees	14000	17300
pole rent	32400	36900
site rental	5500	5900
franchise fees	10640	12463
repairs & maintenance	96544	137962
small tools	400	0
TOTAL DIRECT OPER. EXP.	787263	977155
GENERAL AND ADMINISTRATION EXPENSES		
salaries & wages	49160	52350
management fees	50000	50000
employee benefits	20500	21300
office supplies/stationery	18715	22019
vehicle operating expenses	4200	4800
travel and entertainment	8700	10500
utilities	13500	14800
insurance	30000	33000
dues & subscriptions	3000	3500
contributions	1600	1800
office and warehouse rent	37200	37200
legal fees	20000	15000
audit and accounting fees	25000	25000
outside data processing	47148	61600
bad debt expenses	20903	24423
miscellaneous office expenses	10000	11000
TOTAL G & A EXPENSES	359626	388292
ADVERTISING EXPENSES	30500	32700
MARKETING EXPENSES		
salaries, wages & commissions	20840	21900
employee benefits	8700	8900
TOTAL MARKETING EXPENSES	29540	30800
TOTAL OPERATING EXPENSES	1206929	1428947

MAUI CAMP CABLE TELEVISION

	SERVICE LIFE	1977	1978	1979	1980	1981	1982
BUILDINGS	40	0	0	0	9073	15533	26584
COMMUNICATIONS SYSTEMS	13	0	5503	5503	8603	8603	8603
CONVERTERS	10	0	0	0	0	0	161423
DISTRIBUTIONS SYSTEM	18	77832	301539	476994	703417	874619	1163288
FURNITURE & FIXTURES	13	4211	9057	6221	7832	17705	19765
HARDLINES	18	0	0	0	0	0	0
HEADEND	15	64147	116468	210275	210873	222241	222621
LEASEHOLD	15	0	0	0	4922	13120	13534
MAINTENANCE EQUIPMENT	13	0	0	0	0	0	0
MICROWAVE EQUIPMENT	13	152414	194887	247622	279690	362601	469213
ORIGNATION EQUIPMENT	13	0	26307	31256	31584	46056	52095
TEST EQUIPMENT	13	0	0	0	14420	23402	32264
VEHICLES	9	20690	26778	34093	57238	128294	170462
TOTALS		319293	680540	1011964	1327652	1712174	2339852

NAUI CAMP CABLE TELEVISION

	SERVICE LIFE	1977	1978	1979	1980	1981	1982
BUILDINGS	40	0	0	0	227	388	665.
COMMUNICATIONS SYSTEMS	13	0	423	423	662	662	662
CONVERTERS	10	0	0	0	0	0	16142
DISTRIBUTIONS SYSTEM	18	4324	16752	26500	39079	48590	64627
FURNITURE & FIXTURES	13	324	697	479	602	1362	1520
HARDLINES	18	0	0	0	0	0	0
HEADEND	15	4276	7765	14018	14058	14816	14841
LEASEHOLD	15	0	0	0	328	875	902
MAINTENANCE EQUIPMENT	13	0	0	0	0	0	0
MICROWAVE EQUIPMENT	13	11724	14991	19048	21515	27892	36093
ORIGINATION EQUIPMENT	13	0	2024	2404	2430	3543	4007
TEST EQUIPMENT	13	0	0	0	1109	1800	2482
VEHICLES	9	2299	2975	3788	6360	14255	18940
ANNUAL DEPRECIATION		22947	45627	66660	86369	114163	160883
ACCUMULATED DEPRECIATION		22947	68574	135235	221604	335787	4966669
NET PLANT		.296346	611966	876729	1106048	1376387	1843182

Accum. Plant	Ann. Dep.	Book Res.	Aver. Life	Theo. Res.	Theo. Ratio	Hook Res.	Hook Ratio	"Y" I - THR	"Z" I - BHR	"Z"/"Y"	Whole Life Annuity Factor	Remain-ing Life Factor
26584	2430	6000	40	685	.0250150	.2256997	.9749850	.7743003	.7941664	.025	.0198642	
8603	1050	5111	13	662	.0769499	.5840532	.9210501	.4059488	.4397884	.0769499	.0338289	
161423	16142	16142	10	16142	.0999981	.0999981	.9000019	.9000019				
1163288	105052	412715	18	64627	.0555555	.3547835	.8444445	.6452185	.6831703	.0555556	.0379539	
19765	3022	7960	13	1520	.0769030	.4031844	.9230004	.5068158	.6485366	.0769030	.0497338	
	0	N/A	18	N/A	N/A	N/A	N/A	N/A	N/A	.0555556	N/A	
222621	10168	45682	15	14841	.0666649	.2052029	.9333351	.7947971	.8515667	.0666667	.0567711	
13534	1921	2258	15	902	.0666470	.1668391	.9333530	.8331609	.8926536	.0666667	.0595102	
	0	N/A	13	N/A	N/A	N/A	N/A	N/A	N/A	.0769231	N/A	
469213	54988	204957	13	30953	.0769224	.4368105	.9230776	.5831895	.8101216	.0769231	.0469324	
52095	6493	30511	13	4007	.0769172	.5856802	.9230828	.4143198	.4468438	.0769231	.0345364	
32264	5201	11679	13	2482	.0769278	.3619743	.9230722	.6380257	.6811080	.0769231	.0531691	
170462	26053	66448	9	18940	.1111098	.3088083	.8888902	.6101917	.6864647	.1111111	.0762378	

buildings
communications systems
converters
distribution system
furniture & fixtures
hardlines
headend
leased
maintenance equipment
microwave equipment
origination equipment
test equipment
vehicles

MAUI CAMP CABLE TELEVISION

	Accum. Plant	Remaining Life Factor	Adj. Annl. Dep.
buildings	26584	.0198541610	528
communications systems	8603	.0338298800	291
converters	161423	.1	16142
distribution system	1163288	.0379539078	44151
furniture & fixtures	19765	.0497335835	983
hardlines	0	0	0
headend	222621	.0567711137	12638
leasehold	13534	.0595102385	805
maintenance equipment	0	0	0
microwave equipment	469213	.0469324277	22021
origination equipment	52095	.0345264291	1799
test equipment	32264	.0531690799	1715
vehicles	170462	.0762738524	13002
TOTALS	2339852		114077

MAUI CAMP CABLE TELEVISION

SERVICE LIFE	MAUI CAMP CABLE TELEVISION										ACCUM. PLANT
	1977	1978	1979	1980	1981	1982	1983	1984	1984	1984	
BUILDINGS	0	0	0	9073	6460	11051	0	0	0	0	26584
COMMUNICATIONS SYSTEMS	0	5503	0	3100	0	0	0	0	0	0	8603
CONVERTERS	0	0	0	0	0	161423	271796	44098	44098	44098	477317
DISTRIBUTIONS SYSTEM	77832	223707	175455	226423	171202	288669	491000	950500	950500	950500	2604788
FURNITURE & FIXTURES	4211	4846	-2836	1612	9873	2060	0	112000	112000	112000	131765
HARDLINES	0	0	0	0	0	0	0	0	0	0	0
HEADEND	64147	52322	93807	598	11368	380	100500	254000	254000	254000	5771
LEASEHOLD	0	0	0	4922	8198	415	0	0	0	0	13534
MAINTENANCE EQUIPMENT	0	0	0	0	0	0	0	20000	20000	20000	20000
MICROWAVE EQUIPMENT	152414	42474	52734	32068	82911	106612	0	0	0	0	469213
ORIGINATION EQUIPMENT	0	26307	4949	328	14473	6038	15000	0	0	0	67095
TEST EQUIPMENT	0	0	0	14420	8982	8861	0	0	0	0	32264
VEHICLES	20690	6088	7315	23145	71056	42169	0	0	0	0	170462
TOTALS	319293	361247	331424	315688	384521	627678	878296	1380598	1380598	1380598	4598746

MAUI CAMP CABLE TELEVISION

	SERVICE LIFE	1977	1978	1979	1980	1981	1982	1983	1984
BUILDINGS	40	0	0	0	9073	15533	26584	26584	26584
COMMUNICATIONS SYSTEMS	13	0	5503	5503	8603	8603	8603	8603	8603
CONVERTERS	10	0	0	0	0	0	161423	433219	477317
DISTRIBUTIONS SYSTEM	18	77832	301539	476994	703417	874619	1163288	1654288	2604788
FURNITURE & FIXTURES	13	4211	9057	6221	7832	17705	19765	19765	131765
HARDLINES	18	0	0	0	0	0	0	0	0
HEADEND	15	64147	116468	210275	210873	222241	222621	323121	577121
LEASEHOLD	15	0	0	0	4922	13120	13534	13534	13534
MAINTENANCE EQUIPMENT	13	0	0	0	0	0	0	0	20000
MICROWAVE EQUIPMENT	13	152414	194887	247622	279690	362601	469213	469213	469213
ORIGINATION EQUIPMENT	13	0	26307	31256	31584	46056	52095	67095	67095
TEST EQUIPMENT	13	0	0	0	14420	23402	32264	32264	32264
VEHICLES	9	20690	26778	34093	57238	128294	170462	170462	170462
TOTALS		319293	680540	1011964	1327652	1712174	2339852	3218148	4598746

MAUI CAMP CABLE TELEVISION

	SERVICE LIFE	ADJ. DEP.	1983	1984
BUILDINGS	40	528	528	528
COMMUNICATIONS SYSTEMS	13	291	291	291
CONVERTERS	10	16142	43322	47732
DISTRIBUTIONS SYSTEM	18	44151	71429	124235
FURNITURE & FIXTURES	13	983	983	9598
HARDLINES	18	0	0	0
HEADEND	15	12638	19338	36271
LEASEHOLD	15	805	805	805
MAINTENANCE EQUIPMENT	13	0	0	1538
MICROWAVE EQUIPMENT	13	22021	22021	22021
ORINATION EQUIPMENT	13	1799	2953	2953
TEST EQUIPMENT	13	1715	1715	1715
VEHICLES	9	13002	13002	13002
ANNUAL DEPRECIATION		114075	176387	260689
ACCUMULATED DEPRECIATION		496669	673056	933745
NET PLANT		1843183	2545092	3665001

MAUI CAMP CABLE TELEVISION

	1983	1984
REVENUES	2090341	2442261
OPERATING EXPENSES	1206929	1428947
NET OPERATING PROFIT	883412	1013314
DEPRECIATION & AMORTIZATION	176389	260689
INTEREST EXPENSES	218000	220000
TAXABLE INCOME	489023	532625
TAXES (est. @ 50%)	244512	266313
NET INCOME AFTER TAXES	244511	266312
NET INCOME PLUS INTEREST	462511	486312
RATE BASE	2645669	3784080
RATE OF RETURN ON RATE BASE	17.48%	12.85%

MAUI CAMP CABLE TELEVISION

	1983	1984
REVENUES	1804014	2106293
OPERATING EXPENSES	1195476	1415509
NET OPERATING PROFIT	608538	690784
DEPRECIATION & AMORTIZATION	176389	260689
INTEREST EXPENSES	218000	220000
TAXABLE INCOME	214149	210095
TAXES (est. @ 50%)	107075	105048
NET INCOME AFTER TAXES	107074	105047
NET INCOME PLUS INTEREST	325074	325047
RATE BASE	2644715	3782960
RATE OF RETURN ON RATE BASE	12.29%	8.59%

MAUI CAMP CABLE TELEVISION

REPORTED NUMBER OF
RESIDENTIAL SUBSCRIBERS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	3560	3065	3693	3266	3747	2993	3705	3155	4088	3805	3571	4632
1981	4276	4458	4110	4541	4125	4917	4755	3877	4655	5173	4685	6095
1982	5560	5787	5788	5704	5774	5988	5966	6020	6154	6704	6920	6954
1983	7011	7010	7131	7104	7285	7406	7693	7621				

REPORTED NUMBER OF
MULTI-UNIT DWELLINGS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	480	480	716	726	738	747	865	845	801	835	809	809
1981	845	860	835	837	875	886	1199	1024	1152	1086	1086	1090
1982	1397	1656	1764	1532	1721	1623	1623	1783	1744	1716	1986	1913
1983	1896	2080	2207	2058	1881	1878	1880	1881				

MAUI CAMP CABLE TELEVISION

REPORTED NUMBER OF
PAY-TV SUBSCRIBERS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	1247	1261	1300	1424	1289	1683	1952	1798	1888	2035	1868	2269
1981	2396	2473	3108	2499	2149	2650	3397	2643	3996	3727	3015	2278
1982	3258	3449	3959	3834	3925	4131	4563	4660	4977	5004	5280	5343
1983	5931	5924	6177	5933	5916	6090	6340	6394				

PAY SUBS OF % OF RES.
SUBS. & MULTIPLE SUBS.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	31	36	29	36	29	45	43	45	39	44	43	42
1981	47	47	63	46	43	46	57	54	69	60	52	32
1982	47	46	52	53	52	54	60	60	63	59	59	60
1983	67	65	66	65	65	66	66	67				

MAUI CAMP CABLE TELEVISION

REPORTED NUMBER OF
ADDITIONAL OUTLETS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	593	598	608	604	582	608	1280	1334	1400	1407	1407	1458
1981	1466	1525	1560	1598	1607	1617	1664	1739	1708	1756	1767	1810
1982	1902	1899	1911	1919	2005	2000	2088	2152	2240	2191	2326	2254
1983	2384	2423	2480	2481	2521	2569	2623	2649				

ADDITIONAL OUTLETS
AS % OF RES. SUBS.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	17	20	16	18	16	20	35	42	34	37	39	31
1981	34	34	38	35	39	33	35	45	37	34	38	30
1982	34	33	33	34	35	33	35	36	36	33	34	32
1983	34	35	35	35	35	35	34	35				

MAUI CAMP CABLE TELEVISION

PROJECTED NUMBER OF RESIDENTIAL, SUBSCRIBERS	MAUI CAMP CABLE TELEVISION											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1981	4213	4321	4429	4537	4645	4753	4861	4969	5077	5185	5293	5401
1982	5509	5617	5725	5833	5942	6050	6158	6266	6374	6482	6590	6698
1983	6806	6914	7022	7130	7238	7346	7454	7562	7670	7778	7886	7994
1984	8102	8210	8318	8427	8535	8643	8751	8859	8967	9075	9183	9291

REPORTED NUMBER OF RESIDENTIAL, SUBSCRIBERS	MAUI CAMP CABLE TELEVISION											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1980	3560	3065	3693	3266	3747	2993	3705	3155	4088	3805	3571	4632
1981	4276	4458	4110	4541	4125	4917	4755	3877	4655	5173	4685	6095
1982	5560	5787	5788	5704	5774	5988	5966	6020	6154	6704	6920	6954
1983	7011	7010	7131	7104	7285	7406	7693	7621	N/A	N/A	N/A	N/A

PERCENT ERROR OF PROJECTED TO ACTUAL, REPORTED NUMBER OF RESIDENTIAL, SUBSCRIBERS	MAUI CAMP CABLE TELEVISION											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1981	-.98	-2.58	8.26	.41	13.11	-2.83	2.73	28.67	9.57	.74	13.48
1982	-.41	-2.43	-.58	2.77	3.40	1.53	3.71	4.58	4.07	-2.82	-4.27	-3.18
1983	-2.43	-.87	-1.03	.87	-.14	-.31	-2.60	-.27	N/A	N/A	N/A	N/A

MAUI CAMP CABLE TELEVISION

	1980	%	1981	%	1982	%	1983	%	1984
GENERAL, AND ADMINISTRATION EXPENSES									
salaries & wages	20397	102	41213	23	50814	-2	49160	6	52350
management fees	50000	0	50000	0	50000	0	50000	0	50000
employee benefits	6722	107	13941	21	16870	22	20500	4	21300
office supplies/stationery	10881	-60	4272	261	15413	21	18715	18	22019
vehicle operating expenses	2400	25	3000	20	3600	17	4200	14	4800
travel and entertainment	25448	-10	22649	-21	17749	-50	8700	21	10500
utilities	8035	17	9391	21	11406	18	13500	10	14800
insurance	11308	47	16581	64	27194	10	30000	10	33000
dues & subscriptions	2238	292	8766	-67	2845	5	3000	17	3500
contributions	1230	82	2237	-34	1458	10	1600	13	1800
office and warehouse rent	9600	174	26299	42	37296	0	37200	0	37200
legal fees	6298	-51	3020	352	13654	46	20000	-24	15000
audit and accounting fees	2340	844	22097	-8	19999	25	25000	0	25000
outside data processing	14931	125	33655	15	38830	21	47148	31	61600
bad debt expenses	0	N/A	0	N/A	0	N/A	20903	17	24423
miscellaneous office expenses	1835	121	4060	-66	1323	656	10000	10	11000
TOTAL G & A EXPENSES	173663	50	261181	18	308451	17	359626	8	388292

MAUI CAMP CABLE TELEVISION

	1980	%	1981	%	1982	%	1983	%	1984
DIRECT OPERATING EXPENSES									
salaries & wages	77521	-21	60720	72	104225	44	150000	31	196500
employee benefits	19560	51	29613	54	45593	37	62600	21	75600
general excise tax	29365	31	38538	51	58308	43	83614	17	97690
vehicle operating expenses	6692	56	10470	24	12948	8	14000	21	17000
power supplies	14088	45	20392	38	28178	6	30000	21	36400
pay-tv program costs	91187	75	159596	43	228950	26	287565	19	343440
copyright fees	5615	30	7282	277	27450	-48	14000	24	17300
pole rent	751	132	1740	1405	26190	24	32400	14	36900
site rental	12687	-44	7039	-29	4954	11	5500	7	5900
franchise fees	5744	-16	4785	65	7887	35	10640	17	12463
repairs & maintenance	23836	117	51793	-19	41270	134	96544	43	137962
small tools	0		0		0		400		0
TOTAL DIRECT OPER. EXP.	287046	37	391968	49	585953	34	787263	24	977155
ADVERTISING EXPENSES	5803	-25	4299	219	13697	123	30500	7	32700
MARKETING EXPENSES									
salaries, wages & commissions	23790	-19	19040	27	24266	-13	20840	5	21900
employee benefits	0	N/A	0	N/A	0	N/A	8700	2	8900
TOTAL MARKETING EXPENSES	23790	-19	19040	27	24266	22	29540	4	30800
TOTAL OPERATING EXPENSES	490302	38	676488	38	932367	29	1206929	17	1428947

CERTIFICATE OF SERVICE

I hereby certify that a copy of Order No. 102 was served upon each of the following by mailing the same, postage paid, on this 29th day of November, 1983:

Maui Camp Cable Television
1977 Kaohu Street
Wailuku HI 96793

Paul R. Mancini, Esq.
33 Lono Avenue, Suite 470
Kahului HI 96732



R. Marie Takamoto