

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

In the Matter of the Application of)	Docket No. 29-88-01
)	
OCEANIC CABLEVISION, INC.)	DECISION AND ORDER
)	NO. 135; EXHIBITS A-B;
For Renewal of Cable Franchise)	AND CERTIFICATE OF
)	SERVICE
_____)	

DECISION AND ORDER NO. 135

I. INTRODUCTION

On August 1, 1988, Oceanic Cablevision, Inc. ("Oceanic") submitted an informal application for renewal of its Oahu cable franchises for twenty years commencing January 1, 1989. Pursuant to Order No. 129, all relevant orders pertaining to the permits of Oceanic were consolidated under a single franchise renewal proceeding and the expiration date of all such permits was deemed to be October 21, 1990.

Pursuant to Section 440G-7, Hawaii Revised Statutes, public hearings on the application were held at 7:00 p.m., September 9, 1988 at the Pearl City Public Library, at 7:00 p.m., September 12, 1988 at the Waianae Public Library, at 7:00 p.m., September 13, 1988 at the Kaneohe Public Library, at 7:00 p.m., September 14, 1988 at the State Capitol, and at 7:00 p.m., September 15, 1988 at the Wahiawa Public Library. Notice of these hearings was published in The Honolulu Advertiser and the Honolulu Star-Bulletin on August 15 and 22, 1988.

II. THE LAW

A. Federal Law

This franchise renewal is made under the authority of state law and is consistent with the Cable Communications Policy Act of 1984 ("Cable Act"), which establishes certain cable franchising procedures, rights, and obligations.

As interpreted by the Federal Communications Commission, the Cable Act deprived franchising authorities of their ability to regulate rates charged by cable operators. However, section 624 of the Cable Act allows franchising authorities to impose requirements for cable-related facilities and equipment which include, but are not limited to, channel capacity, system configuration, and institutional and subscriber networks. Section 611 permits franchising authorities to require that channel capacity be designated for public, educational, or governmental use. Section 622 allows the assessment of a franchise fee up to five percent of annual gross revenues, any portion of which may be used for public, educational and governmental access.

B. State Law

State law provides authority for the award or renewal of a cable franchise. Section 440G-10, Hawaii Revised Statutes, provides that the period of renewal shall be not less than five nor more than twenty years.

Section 440G-8, Hawaii Revised Statutes, sets forth the criteria for a franchise renewal. These include the content of an applicant's application, the public need for the proposed service, the ability of the applicant to offer safe, adequate, and reliable service at a reasonable cost to the subscribers, the suitability of the applicant, the technical and operational ability of the applicant to perform efficiently the service for which authority is requested, and any objections arising from the public hearings or elsewhere.

C. The Privilege of a Franchise

The grant of a cable franchise gives Oceanic a right to use and occupy public places, highways and easements which are of a limited and scarce nature. Substantial economic benefits will flow to Oceanic from such a privilege.

In exchange, Oceanic should be required to provide the widest possible diversity of information sources and services to the public. This Order ties the length of the term of the franchise to the degree to which Oceanic is willing to be responsive to the needs and interests of the community.

III. FINANCIAL CAPABILITY AND CHARACTER

A. Financial Capability

The Director has concluded that Oceanic has the financial capability to commit significant resources to local programming and improved system technology and still meet its stated financial goals for net income and cash flow without the need to significantly increase its rates.

As the nation's sixth largest single cable system, Oceanic has the economies of scale and buying power to maintain wide profit margins. Currently with virtually no long-term debt, Oceanic has the wherewithal to make a new commitment without risk of financial exposure.

B. Character

Based upon representations of Oceanic which were confirmed by reasonable inquiries, the Director has concluded that Oceanic satisfies the general suitability and character requirements for franchise renewal under state law.

IV. ASCERTAINING COMMUNITY NEEDS AND INTERESTS

A. Community Based Approach

In July 1987, the State began preparing for the Oceanic renewal by undertaking extensive ascertainment proceedings. The State published newspaper

notices and utilized direct mailings to convene meetings, seminars and open forums for educational and governmental representatives, non-profit organizations, independent producers, and members of the public-at-large.

These efforts resulted in the submission in 1988 of over 100 proposals, questionnaires and letters. (See Exhibit "A" for a listing of these interested persons). These submissions articulate a wide array of interests including a weekly health program sponsored by the Department of Health, job listings by the Department of Labor and Industrial Relations, free language courses by the University of Hawaii, and Civil Defense alerts -- all reaching the home via cable.

B. Staff Overview of Where Cable Has Been and Where It Is Headed

As a supplement to community-based ascertainment, the Cable Television Division staff also studied the broader trends in telecommunications. This review examined such issues as the role of cable communications in the State's telecommunications infrastructure, the growing interdependence of cable communications and education, the peculiar dependence of an island state on telecommunications, the State's diverse ethnic, cultural and Asia/Pacific needs, and the need to unify the presently compartmentalized state planning process for telecommunications.

The evolving nature of these concerns makes it important to strive for both flexibility and an active partnership between Oceanic and government when fashioning a franchise renewal order.

C. Role of Consultants

Due to the importance and far-reaching effects of this renewal, consultants were retained to augment the findings of staff. These consultants were nationally recognized experts in the cable area or were experts with extensive knowledge of local concerns and needs. A cable auditor, a planner, two access programming consultants, a cable engineering firm, and a market researcher submitted findings and recommendations which were considered by the Director. Additionally, a cable communications attorney was retained to advise the Director and Cable Television Division.

D. Public Hearings and Complaints

The terms and conditions of this Order are responsive to future cable-related needs and interests of the community. Public hearings and proceedings indicated a need for more channel capacity. This is addressed in the section on system technology. Another identified community need was improved local programming equipment and support. This is addressed in the sections dealing with local access programming.

Subscribers also expressed some difficulty in reaching Oceanic by telephone. There is a specific condition addressing this concern in the section on subscriber service.

Complaints about high rates and charges for program guides have been recorded from a number of sources. However, this is one concern which the State is unable to remedy. Rate reregulation authority must come from Congress. The

Director, however, has reserved in the terms and conditions hereof all rights to regulate rates when possible.

V. LOCAL PROGRAMMING

A. Programming

The ascertainment process has tapped a wellspring of interest in locally produced programming. The breadth of interests touched on by the proposals referred to in Exhibit A indicates that there will not be a lack of important information for cable viewers. Indeed, the challenge will very likely be to use the designated funding wisely to accommodate and reward as much good programming as possible.

The level of funding required by this Order is approximately seventy five percent of the level requested. However, the Director believes that the three-percent-of-gross revenue formula and the approximately Five Million Dollars for equipment during the first five years will adequately meet the needs and interests of the community for local programming.

B. Programming Governance and Accountability

The attempt to accommodate diverse programming from educators, government agencies, and public sources will be a significant undertaking. In light of the enormity of this task, a premium will be placed on efficient use of funding high quality video production.

It is the Director's intention that the use of access studios, equipment, and other resources be coordinated by one or more independent entities. To insure a balance of viewpoints, each entity will have a governing board of nine members. Three members will be appointed by Oceanic and six will be appointed by the Director. One entity may have oversight responsibilities including establishment of guidelines and criteria designed to ensure, among other things, accountability for funding, nondiscriminatory public access, training, and an increase in good quality programming at minimal cost.

VI. SYSTEM TECHNOLOGY

The timing of Oceanic's renewal application presented to the State a rare opportunity to coordinate its telecommunications planning with the upgrade of Oceanic's cable system. One very important factor in the technology portion of the franchise terms and conditions thus became the need to plan for the uncertainty in cable communication technology acknowledging that even fiber optics may become obsolete during the term of the renewed franchise. At the same time, it became evident that greater channel capacity was needed soon in order to accommodate the growing cable communications needs of the State. To adequately address this tension, it became necessary to establish two very clear goals: (1) To provide for immediate increases in channel capacity; and (2) To build in the flexibility for further increases in capacity taking advantage of even newer technology at each step.

A. The Need for Greater Capacity

In its application Oceanic proposes to complete first an electronic upgrade utilizing its existing coaxial cable system, and then a major fiber optic upgrade, using this newer technology to build a "fiber backbone" for the system.

Coaxial cable technology offers the advantage of being a known, proven technology. Not surprisingly, many franchising authorities have made the decision to increase their channel capacities to 45, 60, or even 72 channels by expanding the capability of existing coaxial plant. In making these decisions, these franchising authorities are electing to invest now in a proven but limited technology at great expense, rather than wait a few years to fully learn the risks and benefits of fiber optics. To accommodate the need for an immediate increase in channel capacity, the Director believes that an immediate ten channel electronic upgrade of existing coaxial plant will constitute an adequate albeit temporary solution to the capacity problem. In making this decision, the Director is therefore not requiring that the expansion to sixty channels be achieved through a solely coaxial upgrade which might soon thereafter become obsolete.

A second phase upgrade from coaxial to a combination of coaxial and fiber optic cable by the tenth franchise year offers Oceanic vastly increased capacity in which to bring programming and other subscriber services to consumers. In its application, Oceanic proposes to complete construction of a fiber optic "backbone" by 2009, using glass fiber trunk and distribution lines to expand the channel capacity of the system to a minimum of sixty channels. The Director believes that capacity of at least sixty channels at the earlier date is necessary for Oceanic to provide for future subscriber services and programming, including access programming.

The amount of programming which can be delivered via a single fiber is presently limited by the lasers and optical receivers used to put the signals through the fiber; however, the glass fibers themselves are thought to have a virtually unlimited capacity. Improvements in the past five years have both decreased the cost of the lasers and optical receivers and increased several times over the number of channels which can be carried on a single strand of fiber. Thus, as lasers and optical receivers continue to improve, so will the capacity of the fibers which are laid in the next several years. As a consequence, the Director believes that the replacement of current coaxial cables by fiber optic strands is the key to long-term cost savings to consumers as well as long term flexibility and growth.

Labor is the most expensive component of the cost of constructing an extensive cable communications system such as that envisioned as part of Hawaii's cable communications future. Because Oceanic's proposal includes as part of its own planned upgrade the laying of extensive fiber optic links, this renewal offers the opportunity to build in extra fiber capacity without added labor costs by having Oceanic install at the same time four additional fibers in its fiber cables for future uses.

Few cable companies in the United States presently use fiber optic technology in their systems. The installation of a fiber backbone represents a major step towards achieving the ideal cable communications infrastructure directly linking the state's civic center buildings, Hawaii Interactive Television System, the University of Hawaii, the Department of Education, and other local area networks presently under construction or planned for development in the next few years.

The fiber backbone also offers opportunities for remote origination of public, educational and governmental access programming such as the employment hotline from the Department of Labor and Industrial Relations and emergency information from the state civil defense headquarters. In addition, the planned new second city at Kapolei and the tele-work centers planned for more than a dozen outlying neighborhoods can be connected through this fiber backbone.

B. The Need for Maximum Flexibility

Another key objective in the Director's review of the technological upgrade requirements of the franchise has been to allow maximum flexibility in the means of achieving the desired additional cable capacity. Telecommunications technology generally, and the technology of the cable industry specifically, are rapidly changing. The present Oceanic system does not have sufficient capacity to meet its presently projected needs nor the projected needs for access programming and institutional networking foreseen by the State.

Oceanic's proposal to use fiber optic technology to add the needed capacity appears now to be the best alternative available. However, the Director does not know what future technology may be developed during the term of the franchise nor whether it will be preferable to the fiber optic technology presently available. The Director therefore has structured the terms of this renewal to provide complete flexibility in the means of obtaining a significant increase in the capabilities of the cable communications system.

The paragraphs in the terms and conditions about the Development Fund address these concerns. If either the Director or Oceanic believes the fiber optic system would not be the best way to achieve this increased capability, either may approach the other with an alternative plan. If the fiber system is not built and alternatives have not been proposed within the time frame established by this Order, then Oceanic is required to begin "saving" towards paying for the future upgrade by contributing to a Development Fund at the rate of Ten Million Dollars per year subject to a cap of Forty Million Dollars.

It is the Director's intention that this Development Fund alternative never have to be used because both Oceanic and the State should, to achieve their desired, preferred futures, continue to seek the best means to increase the system's capacity. However, the Development Fund concept offers the maximum flexibility to both the State and Oceanic to respond to new and presently unknown technological advances. Through the use of this fund, the State and Oceanic will be able to maintain the goal of achieving increased capacity without sacrificing the flexibility to determine as technology develops the best means of reaching this goal.

Because of its cost, the fiber optic upgrade is scheduled to be completed by year ten of the franchise, in 1998. For the years following, the future is even more uncertain. But the Director believes that continuing upgrade of the system will likely be desirable to ensure continuing growth and viability of cable services. Therefore, the Director wishes to ensure that Oceanic will continue to seek and implement technological improvements so that it remains capable of providing the services which may be desired in that distant future.

In the final years of the franchise, the stated requirement in this Order is for contributions to a Development Fund of \$10 million per year. But the intention again here is that Oceanic or the Director will propose a plan which will obviate the

need for this accumulation of funds. Again, the franchise terms are designed to provide maximum flexibility by ensuring either that continuing improvements are made in the system or that the system will be in position to fund these improvements at the appropriate time.

VII. THE PARTNERSHIP

This Order, in essence, constitutes a compact. Both Oceanic and the State derive substantial benefits from this franchise, and the people of Oahu deserve the benefit of a partnership with Oceanic. And though rate regulation is prohibited by federal law, there are many other aspects of the franchise operation which can be addressed herein.

A. Full Partnership

This Order represents an invitation to Oceanic to be a partner in the growth of the State's cable communications network -- to be a part of our future in cable technology and in the use of this powerful medium for locally based public, educational and government programming. If Oceanic chooses to accept the full partnership proposed, then it will receive a franchise whose term is commensurate with the magnitude of the obligation undertaken. This full partnership includes the following elements:

- *An electronic upgrade of the current system to add ten channels, construction to be completed by 1991 and fully operational for cable subscribers by 1993.

- *A fiber optic upgrade of the entire system by 1998, with sixty available channels. Included in this upgrade will be the installation of additional capacity to meet the diverse needs of schools, the public and government.

- *An option to modify the fiber optic upgrade to an alternate system approved by the State or if no alternate is approved, to put aside Ten Million Dollars a year (to a maximum of Forty Million Dollars) into a Development Fund for use in future upgrades.

- *And in the final years of the franchise either a second Development Fund at \$10 million a year (to a maximum of Thirty Million Dollars) or an alternative agreed to by the State to ensure that the cable system will be adequate to meet the future needs of subscribers.

- *An allocation of a minimum of three channels and ultimately as many as seven or more channels to public, educational and governmental access uses.

- *The assessment of a fee of three percent of gross revenues to support public, educational and governmental access programming, which may be increased to a maximum of four and one-half percent after the fifteenth year if substantial new access needs arise. This assessment will produce in excess of Two Million Dollars a year to support operations in access programming.

- *The capital contribution of Nine Million Two Hundred Thousand Dollars to purchase equipment for use in access programming. This contribution may

also be increased in the final years of the franchise after community needs in this area are reexamined.

- *Full interconnection between Oceanic's system and the State's Civil Defense system.

- *Connections between Oceanic and the State Government Civic Center complex; the Civic Center and the University of Hawaii at Manoa; the Civic Center and the State computer facilities at Diamond Head; and the Civic Center and the second city of Kapolei, once it is built.

- *Connections between Oceanic and fifteen regional communication centers to be established by the State; these services to be provided at cost.

- *Connections between Oceanic and access sites at the University of Hawaii at Manoa, Leeward Community College and other access origination studios.

- *Connections between Oceanic and Moanalua, Kalaheo, Campbell and McKinley High Schools; these services to be provided at cost.

- *Connections between Oceanic and the Hawaii Interactive Television System operated by the Hawaii Public Broadcasting Authority.

- *Maintenance of at least current customer services with further study on the adequacy of the telephone system.

If Oceanic chooses to make the long-term commitment, it is obligating itself to provide resources which are likely to exceed One Hundred Fifty Million Dollars over the course of the franchise.

If Oceanic accepts these elements, then the people of Oahu in Oceanic's service area will be well-served. Oceanic will be obligated to provide substantial resources over the course of the franchise. For this, Oceanic will receive a twenty-year franchise and significant economic benefits, and the community will have an advanced cable communications system. The development of the system will be subject to control and reevaluation at each step which will eliminate the installation of unneeded or inappropriate technology.

The partnership proposed in this Order has also been structured so as not to burden the subscriber. It is the Director's view that the elements discussed above can be implemented without any marked increase in rates. Thus while the State cannot control rates, the Director believes that the terms of the franchise should not place strong upward pressure on the current rate structure, especially with the rate increase currently being implemented.

In structuring this partnership, the needs of the public and Oceanic have been balanced. Each element of this Order represents a part of this balance. To the extent that Oceanic does not accept and meet all requirements of this Order or such additional requirements as are called for under procedures set forth in this Order, the plan becomes unbalanced and no longer reflects its intent or purpose. In a similar fashion, change in the corresponding requirements imposed by the State (such as the access operating fee) also unbalance the plan and should not be made absent a substantial change in circumstances in the final years.

B. Five Year Alternative

If Oceanic chooses not to participate in this cable communications infrastructure development, or if it chooses not to participate in providing greater levels of public, educational and governmental access programming, then this Order provides for a five-year franchise.

This option will allow the Director and Oceanic to discuss all of those concerns in another three or four years. The Director hopes that during the intervening period Oceanic will reconsider the role it wishes to play in the community

In this connection, it should be noted that the Director views a five-year franchise as essentially a wasted opportunity for the community and Oceanic. It could well lead to a virtual standstill in the development of the system as no major capital investment is likely in such a short time period. And five years of lost opportunity in the area of technology is a lifetime. The community and Oceanic should not be on the sidelines for such a period.

C. Communicating the Decision

The choice made by Oceanic must of course be communicated to the State. The Order provides a mechanism to ensure that the choice is made no later than January 1, 1989.

VIII. ORDER

Accordingly, the Director having considered all relevant criteria and being convinced that it is in the public interest to do so, hereby issues the following order pursuant to Section 440G-10, Hawaii Revised Statutes:

1. Oceanic may elect one of the following franchise terms:

(a) A twenty year franchise term commencing on January 1, 1989 subject to all of the attached terms and conditions which are incorporated by reference herein. Further, no later than January 1, 1989, Oceanic must provide a written acceptance of the grant of this franchise by which it agrees to be bound by this Order and pay the amounts due for facilities and equipment for 1989 under paragraph 5.4 of the terms and conditions and the first quarterly installment of the access operating fee for 1989 under paragraph 5.1 of the terms and conditions; or

(b) A five year franchise term commencing on October 22, 1990 subject to the attached terms and conditions, which are incorporated by reference herein, as follows:

(i) All of section one, Definitions;

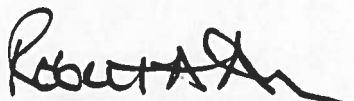
(ii) All of section two, Grant of Franchise;

(iii) All of section three, Immediate System Upgrade, which provides for a ten channel upgrade by December 31, 1993;

- (iv) Section five, Public, Educational and Government Access, to the extent applicable in a five year term;
- (v) All of section six, Subscriber Service;
- (vi) All of section seven, Programming Services;
- (vii) All of section eight, Institutional Networks;
- (viii) All of section nine, Modification; and
- (ix) All of section eleven, Miscellaneous Provisions;

2. In the event that the option in paragraph 1(b) is elected, the Director does not intend to act upon any renewal or extension request prior to October 22, 1992 because of the expense and complexity of the ascertainment and application process.

DATED: Honolulu, Hawaii, November 30, 1988.



ROBERT A. ALM
Director of Commerce and
Consumer Affairs

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TERMS AND CONDITIONS OF ORDER NO. 135

Section One Definitions

For purposes of these terms and conditions of Order No. 135, the following words, terms, phrases, and their derivations shall have the meaning given herein. Words not defined shall be given their common and ordinary meaning. When not inconsistent with the context, the masculine pronoun includes the feminine pronoun, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. "Shall" and "will" are mandatory, not merely directive or permissive. "May" is permissive.

"Access Cablecast Day" means a day or part thereof during which an Access Channel is available for PEG use.

"Access Channel" means any Channel on the System made available for public, educational, or governmental (hereinafter sometimes referred to as "Access" or "PEG") use.

"Access Facilities and Equipment" means (i) channel capacity designated for public, educational, or governmental use; and (ii) facilities and equipment for the use of such channel capacity.

"Access Operating Fee" means the ~~yearly~~ fee to be paid by Oceanic to the Director or his designee for public, educational, or governmental uses pursuant to paragraph 5.1.

"Activated Channel" means a Channel engineered at the headend of the Cable System for the provision of services to residential subscribers of the Cable System, regardless of whether such services actually are provided, including any Channel designated for public, educational, or governmental use.

"Annual Fee" means the Annual Fee paid by Oceanic pursuant to Hawaii Revised Statutes section 440G-15, as said statute may from time to time be amended.

"ATC" means American Television and Communications Corporation which is the controlling shareholder of Oceanic Cablevision, Inc.

"Basic Service" means the most widely available level of service offered by Oceanic which includes the delivery of local television broadcast signals, Access Channels, leased channels, and local origination as covered by the regular charge paid by all Subscribers to obtain service, excluding premium and FM services.

"Cable Act" means the federal Cable Communications Policy Act of 1984, Pub. L. No. 98-549, 98 Stat. 2779 (1984).

"Cable Drop" means the cable from the feeder line to the Subscriber's premises.

"Cable Service" means the one-way transmission to Subscribers of video programming or other programming service together with subscriber interaction, if any, which is required for the selection of video programming or other programming services.

"Cable System" and **"System"** shall have the meaning set forth in Hawaii Revised Statutes section 440G-3.

"Channel" means a minimum of six megahertz (6 MHz) in the electromagnetic spectrum which is capable of carrying any type of transmission which Oceanic is authorized to provide to Subscribers.

"Department" means the Department of Commerce and Consumer Affairs of the State of Hawaii.

"Director" means the Director of Commerce and Consumer Affairs of the State of Hawaii or the Director's representative.

"Director of Civil Defense" means the Director of Civil Defense of the State of Hawaii.

"Educational Access Channel" means any channel on the System which is made available by Oceanic for use by educational authorities such as the Department of Education of the State of Hawaii, and accredited educational institutions for non-commercial educational purposes.

"Emergency Authority" means the Director of Civil Defense and any other Person designated by the Director.

"Emergency Override System" means the emergency alert system specified in section 5 hereof.

"Feeder Line" means the coaxial or fiber optic cable running from the trunk line to line-extenders and taps for the purpose of interconnection to individual Subscribers.

"Government Access Channel" means any Channel on the System made available for use by city, county and state government, or agencies thereof.

"Gross Revenues" means all cash, credits, property of any kind or nature or other consideration derived directly or indirectly by Oceanic, its affiliates, subsidiaries, parents, and any other person or entity in which Oceanic has a financial interest or which has a financial interest in Oceanic, arising from or attributable to operation of the Cable System, including but not limited to:

- (a) revenue from all charges for entertainment and non-entertainment services provided to Subscribers;
- (b) revenue from all charges for the insertion of commercial advertisements upon the Cable System;

- (c) revenue from all charges for the leased use of studios or Channels;
- (d) revenue from all charges for the installation, connection and reinstatement of equipment necessary for the utilization of the Cable System and the provision of Subscriber and other service; and
- (e) revenue from the sale, exchange or use or cablecast of any programming developed for community use or institutional users.

Gross Revenues shall include, valued at retail price levels, the value of any goods, services, or other remuneration in non-monetary form, received by the Oceanic or others described above in consideration of performance by Oceanic or others described above of any advertising or other service in connection with the Cable System.

"Law" means any law, including common law, constitution, statute, treaty, regulation, rule, ordinance, order, injunction, writ, decree or award of any court or administrative body.

"Oceanic" means Oceanic Cablevision, Inc., a Hawaii corporation.

"Order" or "Order No. 135" means Decision and Order No. 135 issued by the Director of Commerce and Consumer Affairs in Docket No. 29-88-01 and dated November 30, 1988 including all terms and conditions, and exhibits.

"Person" means any individual, or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not for-profit, but shall not mean the Director or the Department.

"Public Access Channel" means any Channel on the System made available for use by individuals and organizations for non-commercial purposes.

"Public Highways" shall have the meaning set forth in Hawaii Revised Statute section 264-1.

"Public Place" includes any property, building, structure, or water to which the public has a right of access and use.

"Service Area" means those areas of the island of Oahu, State of Hawaii for which Oceanic or its predecessors in interest were issued cable franchises pursuant to the following:

- (a) Decision and Order No. 2, dated October 21, 1970, for Kaimuki, as more particularly described therein;
- (b) Decision and Order No. 3, dated October 21, 1970, for Kailua, Kalihi and Kaneohe, as more particularly described therein;
- (c) Decision and Order No. 4, dated October 21, 1970, for areas of Honolulu, as more particularly described therein;
- (d) Decision and Order No. 5, dated October 21, 1970, for Waianae, as more particularly described therein;

- (e) Decision and Order No. 8, dated October 21, 1970, for Mililani Town, as more particularly described therein;
- (f) Decision and Order No. 9, dated October 21, 1970, for areas of Honolulu, as more particularly described therein;
- (g) Decision and Order No. 10, dated January 15, 1971, for Waianae, as more particularly described therein;
- (h) Decision and Order No. 12, dated August 12, 1971, for Ewa and West Beach, as more particularly described therein;
- (i) Decision and Order No. 15, dated August 12, 1971, for Central Oahu and the North Shore, as more particularly described therein;
- (j) Decision and Order No. 16, dated August 12, 1971, for areas of Honolulu, as more particularly described therein; and
- (k) Decision and Order No. 17, dated August 12, 1971, for the Windward Coast, Waimanalo, and Kalihi, as more particularly described therein.

"State" means the State of Hawaii.

"Subscriber" means any Person lawfully receiving any Service.

"Vertical Blanking Interval" means the horizontal lines transmitted between each field of a television broadcast signal.

Section Two

Grant of Franchise

2.1 Grant of Franchise

Pursuant to Hawaii Revised Statutes section 440G-4, the Director has granted to Oceanic a franchise in Order No. 135 subject to the applicable terms and conditions herein.

2.2 Effective Date

The effective date of this franchise shall either be January 1, 1989 or October 22, 1990 as determined pursuant to Order No. 135.

2.3 Term of Franchise

The term of the franchise shall either be twenty years or five years as determined pursuant to Order No. 135, unless terminated as provided herein or by applicable Law.

2.4 Service Area

This franchise shall cover all areas of the island of Oahu, State of Hawaii which Oceanic is currently authorized to serve and does not extend or alter the boundaries of Oceanic's existing Service Area.

2.5 Consideration

In consideration of the award of the franchise granted herein which permits Oceanic to use and occupy Public Places and Public Highways to operate a Cable System, Oceanic shall pay all fees required by Chapter 440G, Hawaii Revised Statutes, as it may be amended from time to time, pay all monies specified herein, and provide all Channels, facilities, equipment, technical assistance, and services specified herein.

2.6 Ownership of Own Facilities and Plant

(a) Oceanic shall maintain legal and equitable title to all of its present and future Cable System. Oceanic may lease all or a portion of its Cable System to or from a third party upon the prior written approval of the Director. Such approval shall not be required with respect to any Channels required to be leased pursuant to the Cable Act.

(b) The Director shall grant such approval if (1) the proposed lease will result in savings to Subscribers; (2) the arrangement does not result in a loss of Oceanic's control of distribution facilities; and (3) he is convinced that it is in the public interest to approve the proposed lease. The Director shall make such determination in his sole discretion.

2.7 Rate Regulation

The Director reserves the right to regulate rates for cable service charged by Oceanic to the fullest extent permitted by Law.

2.8 Antitrust

(a) Order No. 135 shall not be construed as exempting Oceanic and any affiliated or controlling entities from any antitrust law.

(b) Order No. 135 does not constitute an adjudication upon any antitrust issues which may be involved in this proceeding.

Section Three Immediate System Upgrade

3.1 Ten Channel Upgrade

(a) Oceanic shall construct, reconstruct, rebuild, reconfigure, or upgrade its System to a minimum bandwidth of 360 MHz and provide ten available Channels. Such upgrade shall be completed as soon as possible and no later than December 31, 1991.

(b) The ten Channels specified in paragraph 3.1(a) shall be made available for reception in Subscriber's premises no later than December 31, 1993. This portion of the upgrade shall include the replacement as necessary of Subscribers' converters and other equipment which are necessary to enable all Subscribers to receive a minimum of 450 MHz transmissions and at least sixty Activated Channels.

(c) The ten channel upgrade shall be completed in accordance with the engineering plan in Oceanic's proposal submitted on August 1, 1988 or as modified and approved by the Director.

Section Four Future System Upgrades

4.1 Fiber Optic Upgrade to 450 MHz System

(a) Oceanic shall construct, reconstruct, rebuild, reconfigure or upgrade its System to a minimum bandwidth of 450 MHz by December 31, 1998 and provide a minimum of sixty available Channels. Additionally, the entire fiber optic portion of this upgrade shall contain a minimum of four additional fibers which shall be reserved for future uses to be determined by the Director. For purposes of this section, this upgrade shall be referred to as the "450 MHz Upgrade."

(b) The State shall be responsible for the cost of maintenance and activation of the additional fibers in the event that the Director determines that these fibers shall be used for State purposes.

(c) No later than June 30, 1991, Oceanic shall submit to the Director for his approval a financial plan with detailed cost estimates, a detailed engineering plan, a proposed schedule for construction of the 450 MHz Upgrade and such other information as the Director deems necessary. The upgrade shall utilize fiber optic cable for all trunk and distribution lines and if commercially reasonable, extend to the homes.

4.2 Alternate Upgrade

In lieu of the 450 MHz Upgrade, Oceanic may submit to the Director an alternative proposal for his prior approval. This alternative must offer at a minimum the same reach and enhancement capabilities as the 450 MHz Upgrade. The alternative may include the use of some fiber optic technology. A system architecture which employs solely coaxial cables for trunk and distribution lines to minihubs shall not be deemed an acceptable replacement technology for fiber optic cable. The proposal shall contain a financial plan with detailed cost estimates, a detailed engineering plan, a proposed schedule of construction, and such other information as the Director deems necessary. The alternative proposal shall be submitted by June 30, 1991.

4.3 Development Fund

(a) In the event that the Director has not approved by December 31, 1991 a plan pursuant to paragraphs 4.1 or 4.2, Oceanic shall set aside from its Gross Revenues Ten Million Dollars (\$10,000,000) each calendar year commencing with

1992. Further responsibility to set aside such amounts shall be discharged when the total amount set aside equals Forty Million Dollars (\$40,000,000) or when the Director has approved plans pursuant to paragraphs 4.1 or 4.2.

(b) Amounts set aside pursuant to paragraph 4.3(a) and all accrued interest shall be held in a bank or money market account or other investment vehicle approved by the Director which is designated as the "Development Fund." Deposits in the Development Fund shall be made no later than March 31st of each year for which a deposit is required.

(c) Amounts in the Development Fund including interest thereon shall not be commingled with other funds of Oceanic or any other entity. Oceanic shall have sole authority to draw on the Development Fund for the sole purpose of financing the upgrade. Oceanic shall not make any withdrawals from the Development Fund without the prior approval of the Director. The Development Fund shall not be pledged, dedicated, or used as collateral for any purpose other than financing the upgrade, except upon written application to and prior written approval by the Director.

(d) Notwithstanding paragraph 4.3(c), Oceanic may make loans to American Television and Communications Corporation (hereinafter referred to as "ATC") from the Development Fund with prior notice to the Director. The unpaid principal amount of each such loan shall bear interest for each day from the date such loan is made until the entire principal is repaid to Oceanic. The interest rate shall be no less than the rate charged by the Bank of Hawaii to its best customers on the date when the loan is made. Interest paid by ATC on such loans shall be deposited in the Development Fund.

(e) Loans from the Development Fund to ATC shall be evidenced by a promissory note. Copies of all loan documentation shall be provided to the Director within twenty days of the date of the loan. Oceanic shall submit to the Director a loan report on January 30th of each year during the term of any such loan. The loan report shall describe the status of the loan including the amount outstanding and any amounts repaid by ATC.

4.4 Director's Option to Release

The Director may propose a substitute upgrade plan. If such plan is agreed to by Oceanic, then Oceanic's obligations under paragraphs 4.1, 4.2 or 4.3 shall be released.

4.5 Development Fund II

(a) For each calendar year commencing with 2001, Oceanic shall set aside the greater of Ten Million Dollars (\$10,000,000) or ten percent of its Gross Revenues for a further system upgrade. Further responsibility to make such payments shall be discharged when the total amount set aside equals Thirty Million Dollars (\$30,000,000) or when the Director has approved plans pursuant to paragraphs 4.6 or 4.7.

(b) Amounts set aside pursuant to paragraph 4.5(a) and all accrued interest shall be held in a bank or money market account or other investment vehicle approved by the Director which is designated as the "Development Fund." Deposits

in the Development Fund shall be made no later than March 31st of each year for which a deposit is required.

(c) Amounts in the Development Fund including interest thereon shall not be commingled with other funds of Oceanic or any other entity. Oceanic shall have sole authority to draw on the Development Fund for the sole purpose of financing a further system upgrade. Oceanic shall not make any withdrawals from the Development Fund without the prior approval of the Director. The Development Fund shall not be pledged, dedicated, or used as collateral for any purpose other than financing an upgrade, except upon written application to and prior written approval by the Director.

(d) Notwithstanding paragraph 4.5(c), Oceanic may make loans to ATC from the Development Fund with prior notice to the Director. The unpaid principal amount of each such loan shall bear interest for each day from the date such loan is made until the entire principal is repaid to Oceanic. The interest rate shall be no less than the rate charged by the Bank of Hawaii to its best customers on the date when the loan is made. Interest paid by ATC on such loans shall be deposited in the Development Fund.

(e) Loans from the Development Fund to ATC shall be evidenced by a promissory note. Copies of all loan documentation shall be provided to the Director within twenty days of the date of the loan. Oceanic shall submit to the Director a loan report on January 30th of each year during the term of any such loan. The loan report shall describe the status of the loan including the amount outstanding and any amounts repaid by ATC.

4.6 Oceanic's Proposed Upgrade

Oceanic may submit a proposal to the Director for his approval for a System upgrade to be constructed after 1998. This proposal shall contain a financial plan with detailed cost estimates, a detailed engineering plan, a schedule for construction, and such other information as the Director may require. If the Director approves this proposal, then Oceanic shall be released from the contributions to the Development Fund set forth in paragraph 4.5.

4.7 Director's Proposed Upgrade

The Director may propose a plan for a system upgrade to be constructed after 1998. If Oceanic agrees to this proposal, then Oceanic shall be released from making the contributions to the Development Fund specified in paragraph 4.5.

4.8 Alternate Uses of Development Fund

In the event that Oceanic is released from making contributions to the Development Fund pursuant to paragraphs 4.2, 4.4, 4.6 or 4.7, the Director may require that any balance in the Development Fund be spent on constructing, operating, and/or maintaining any alternative system architecture or upgrade proposed under this section.

Section Five

Public, Educational and Governmental Access

5.1 Access Operating Fee

(a) During each and every year of the term of the franchise, Oceanic shall pay to the Director or his designee three percent of its annual Gross Revenues. These payments shall be used for public, educational and governmental ("PEG" or "Access") uses. Such payments shall be hereinafter referred to as the "Access Operating Fee."

(b) If the effective date of the franchise is January 1, 1989, the Access Operating Fee for the first year of the franchise shall be paid in quarterly installments on January 1, April 1, July 1, and September 1, 1989 based on the estimated amount of Oceanic's Gross Revenue for 1989. The first installment which shall be paid on January 1, 1989 shall be no less than Five Hundred Thirty-two Thousand Five Hundred Dollars (\$532,500). The other three installments for 1989 shall be in equal amounts. Thereafter, the estimated Access Operating Fee shall be payable each year on the first day of the calendar year based on the estimated Gross Revenue for that year. For example, on January 1, 1990 the entire estimated three percent Access Operating Fee for 1990 shall be paid based on the estimated Gross Revenue for 1990.

(c) If the effective date of the franchise is October 22, 1990, the Access Operating Fee shall be payable each year on the 22nd day of October based on the estimated Gross Revenue for the next twelve months. For example, on October 22, 1990 the entire estimated three percent Access Operating Fee shall be paid based on the estimated Gross Revenue for the period from October 22, 1990 through and including October 21, 1991.

(d) The amount of Access Operating Fees paid during a year shall amount to no less than two and four-tenths percent of the actual Gross Revenues for the applicable one-year period. If Oceanic fails to pay the minimum estimated Access Operating Fees required by this subparagraph, such failure shall be a violation of this section.

(e) All payments of the Access Operating Fee shall be reconciled with the actual amount of Gross Revenues for the applicable period. Such reconciliation shall take place no later than the end of the third month following the applicable one-year period. For example, if the effective date of the franchise is January 1, 1989, a reconciliation shall be made based on the actual Gross Revenue for 1989 no later than March 31, 1990. At the time of the reconciliation, Oceanic shall pay to the Director or his designee any balance owed. If Oceanic is entitled to a refund, the Director shall grant a credit toward future Access Operating Fees, or make a refund if the last payment of Access Operating Fees has been made. The Director may require that Oceanic submit to an audit by the Director's accountants.

(f) Any credit required based on the transfer of Oceanic's existing access facilities and equipment pursuant to paragraph 5.4(d) shall be offset in equal amounts among the installments required for 1989, except that the January 1, 1989 installment shall not be subject to any offset or diminution. In the event that the credit required by paragraph 5.4(d) is applicable after 1989, then the credit shall be deducted from the next payment of the Access Operating Fee.

(g) Oceanic may receive a credit toward the Access Operating Fee for funding and operating its existing community programming during the transition period after the effective date of the franchise. Such credit shall be determined in the manner set forth in paragraph 5.6.

5.2 Access Channels

(a) On the effective date of the franchise, Oceanic shall make available to the Director, or to his designee, three full-time Activated Channels. When the total number of Activated Channels on Oceanic's System is increased to forty-two, Oceanic shall make available to the Director, or to his designee, two additional full-time Activated Channels. Thereafter, Oceanic shall make available to the Director or his designee ten percent of all available Channels on its System in excess of forty-two Activated Channels. Any fractional amount of a channel shall be rounded up to the next whole number of full-time Channels. Activated Channels made available to the Director or his designee under this paragraph shall be hereinafter referred to as "Access Channels." All Access Channels shall be made available by Oceanic at no cost to the State.

(b) KHET or any successor broadcast television channel operated by the Hawaii Public Broadcasting Authority shall not be deemed an Access Channel and shall not be counted or included among the Channels required by paragraph 5.2(a) to be made available as an Access Channel.

(c) All Access Channels shall include their Vertical Blanking Intervals. The technical quality of all Access Channels shall be at least equal to the same technical quality as the Channels used by Oceanic to retransmit local off-the-air broadcast television stations which are affiliates of the major national broadcast networks and satisfy all requirements under the administrative rules promulgated pursuant to Chapter 440G, Hawaii Revised Statutes.

(d) Oceanic may use Access Channels required to be made available under paragraph 5.2(a) until such time as the Director or his designee gives sixty-days written notice to Oceanic that an Access Channel or portion thereof shall be made available. Oceanic's use of Access Channels after it has received such notice from the Director or his designee shall be subject to the fallow time provisions in paragraph 5.3.

(e) All Access Channels shall be used for PEG uses and shall be transmitted to Subscribers on Oceanic's Basic Service.

(f) The Director shall allocate Access Channels or portions thereof among Public Access Channels, Educational Access Channels and Governmental Access Channels; provided that allocations made with respect to public access shall comply with applicable Law.

(g) The Director or his designee shall not exercise any editorial control over the use by the public of a Public Access Channel; provided that the Director or his designee may prohibit the transmission of any matter which is obscene or otherwise unprotected by applicable Law.

(h) Oceanic shall not exercise any editorial control over any Access Channel.

5.3 Fallow Time on Access Channels

(a) Oceanic shall be permitted to use time on one or more Access Channels whenever there are no Channels otherwise available on its System whether or not Activated and whenever such Access Channel(s) is not scheduled for use at least seventy-two hours in advance of such time or times desired by Oceanic; provided that any use of such Access Channel(s) by Oceanic shall at all times be subordinate to designated Access use and shall terminate or be preempted by Access programming scheduled at least seventy-two hours in advance.

(b) All non-access programming on Access Channels shall be identified as such by an appropriate announcement made prior to and following each non-access use.

(c) Notwithstanding the foregoing, at such time as any Access Channel has been programmed for a daily average of eight hours or fifty percent of the hours of Access Cablecast Days, whichever is less, during any ninety day period, use of such Channel by Oceanic shall be suspended for such time as such minimum Access use of such Channel is maintained. This paragraph may be waived by the Director for good cause.

5.4 Facilities and Equipment

(a) Oceanic shall provide the Director or his designee capital funds for facilities and equipment for public, educational and governmental use on an annual basis on the following schedule:

Amount	Year of Franchise
\$1,941,088	One
1,196,491	Two
724,921	Three
50,000	Four
70,000	Five
564,279	Six
248,984	Seven
536,589	Eight
261,646	Nine
207,852	Ten
1,257,006	Eleven
984,845	Twelve
587,069	Thirteen
318,582	Fourteen
337,146	Fifteen
\$9,286,498	Total in 1988 Dollars

(b) In franchise years five through fifteen, Oceanic shall pay annually an amount equal to the amount specified above for each respective year multiplied by the ratio of the United States' Department of Labor Consumer Price Index for Urban Consumers ("CPIUC") (1982-1984 = 100) for the calendar year preceding that in which the payment accrues, divided by 120.2. In the event that the CPIUC is

discontinued or replaced by the United States Bureau of Labor Statistics, the Director shall adopt a new index which shall be applied to payments.

(c) The amounts due under this paragraph shall be payable each year on the first day of the year. For example, if 1989 is the first year of the franchise, One Million Nine Hundred Forty-one Thousand and Eighty-eight Dollars (\$1,941,088) shall be paid to the Director or his designee on January 1, 1989.

(d) Oceanic shall provide capital funds for equipment and facilities for Access use after the fifteenth year of the franchise as determined pursuant to paragraph 5.11.

(e) Upon request by the Director, Oceanic shall transfer, convey and assign to the Director or his designee all of its right, title and interest to all of the facilities and equipment set forth in Exhibit B hereto. Oceanic shall maintain such equipment in good working order at all times while legal title to such facilities and equipment is vested in it. The value of any property transferred hereunder shall not constitute by its transfer any waiver or credit against Oceanic's obligation to provide capital funds for facilities and equipment under paragraph 5.4(a)-5.4(d). However, the fair market value of such property may be credited against Access Operating Fees required by paragraph 5.1. Oceanic shall provide such information as the Director may require to establish the fair market value of such facilities and equipment.

5.5 Access Organization

The Director may designate one or more entities pursuant to paragraphs 5.1, 5.2, and 5.4 to fund, control, manage or operate Access Facilities and Equipment. Any designated entity shall have a governing board with nine members. Three of the members shall be appointed by Oceanic and six shall be appointed by the Director. Designated entities may include one entity with oversight powers and another entity which owns and operates Access Facilities and Equipment.

5.6 Access Transition

(a) Oceanic shall continue funding and operation of its existing Access Facilities and Equipment at its present level of expenditure until it receives sixty-days notice from the Director to transfer its facilities and equipment pursuant to paragraphs 5.2 and 5.4(d). During such time period Oceanic shall maintain its current mix, quality and level of programming on its current access channel.

(b) The Director will use his best efforts to assist current Oceanic access production employees in obtaining employment with no loss in pay with any access operating entity designated by the Director. A complete list of Oceanic's access production employees and their salaries or wages shall be submitted to the Director or his designee upon request.

(c) Oceanic may offset against the Access Operating Fee all monies spent by Oceanic on existing access management or administration for the period from the effective date of the franchise until Oceanic transfers its current facilities and equipment to the Director or his designee; provided that Oceanic submits a schedule of such anticipated expenses to the Director or his designee for prior approval. Oceanic shall provide the Director or his designee with any verification of such expenses as may be requested. Oceanic shall not receive any offset under this paragraph unless prior approval is granted.

(d) The amount of the credit under paragraph 5.6(c) shall be determined at the end of each three month period and be deducted from the next required payment of the Access Operating Fee. For example, any credit due for January, February or March 1989, shall be deducted from the April 1, 1989 payment of the Access Operating Fee.

5.7 Termination of Access Payments

(a) Oceanic may suspend making payments under paragraphs 5.1, 5.4 and 5.11 if any of the following events occur:

- (1) A minimum of seventy-five percent of the current number of original hours of access programming is not produced; or
- (2) Such payments are used for non-access purposes.

(b) Paragraph 5.7(a)(1) shall not be effective until January 1, 1991.

(c) Oceanic's obligation to make such payments shall be reinstated at such time as the event causing the suspension is cured or rectified.

5.8 Emergency Override System

(a) Oceanic shall configure and maintain its System to permit emergency authorities to override, simultaneously by remote control, all audio and video Channels. Emergency authorities shall include the Director of Civil Defense and any other Person designated by the Director. The emergency authorities shall have the sole discretion to determine when to activate the Emergency Override System.

(b) The Emergency Override System shall provide for activation from emergency operations centers for both voice and video messages.

(c) The video display during emergency voice messages may be State, Civil Defense, or other appropriate official emblems as designated by the emergency authorities.

(d) The voice feed from the Emergency Broadcast System shall be transmitted by a combination landline and radio relay system which is similar to the system presently used by radio broadcast stations.

(e) Oceanic shall purchase an Emergency Broadcast System receiver of the same type which radio broadcast stations are required by the FCC to purchase.

(f) Oceanic shall within sixty days provide a Cable Drop and Basic Service at no cost to the State Emergency Operating Center at Diamond Head Tunnel and the Oahu Civil Defense Agency at Honolulu Hale.

(g) Oceanic shall permit tests of the Emergency Override System in a manner and on a frequency as requested by the Director of Civil Defense.

(h) As of July 1, 1992, Oceanic shall provide complete video and audio override capacity on all Channels of on its System in order that the Director of Civil

Defense may transmit emergency programming from a studio at the emergency operating center at Diamond Head Tunnel.

(i) As of July 1, 1992, Oceanic shall provide at no cost an access hardline for voice and video upstream capability to Oceanic's master headend from the studio at the State emergency operating center at Diamond Head Tunnel.

(j) As of July 1, 1996, Oceanic shall provide a bidirectional interconnection capability for the Emergency Override System described herein, between its System and other cable systems and telecommunication systems as required by the Director. Such interconnection capability shall be capable of bidirectional transmissions of voice, video, and computer data and utilize to the extent possible the Hawaii Interactive Television System or other inter-island telecommunication systems.

(k) Oceanic shall cooperate fully with the Director of Civil Defense and any other emergency authorities designated by the Director in the planning and implementation of the Emergency Override System.

5.9 Cable Service to Waihole Elementary School

At no cost to the State, Oceanic shall provide a Cable Drop and Basic Service to Waihole Elementary School upon completion of the road widening project to the school.

5.10 Cable Service to Schools in Juvenile Detention and Correctional Facilities

At no cost to the State, Oceanic shall provide a Cable Drop and Basic Service to each school located in a juvenile detention and correctional facility in its Service Area.

5.11 Reopening of Access Requirements

(a) After the twelfth year of the franchise term, the Director may commence proceedings for the purpose of identifying the future cable-related community needs and interests.

(b) After the fifteenth year of the franchise term, the Director may require Oceanic to provide additional Access Operating Fees and capital funds for facilities and equipment subject to the limits set forth in paragraphs 5.11(c) and 5.11(d).

(c) The annual payment of capital funds for facilities and equipment for the remainder of the franchise term shall not exceed one hundred and thirty-three percent of the average annual payment for facilities and equipment under paragraph 5.4.

(d) If the Director determines that access needs are substantially in excess of needs ascertained during the ascertainment proceeding conducted prior to the issuance of Order No. 135, then the total amount of the annual Access Operating Fee required by paragraph 5.1 may be increased from an amount equal to three percent of annual Gross Revenue to a maximum annual amount equal to four and one-half percent of Gross Revenue.

5.12 Capital Contributions

The facilities and equipment required to be provided and the funds for the provision of facilities and equipment required to be provided by Oceanic under paragraph 5.4 and paragraph 5.11 shall be deemed to be capital contributions under section 622(g)(2)(C) of the Cable Act.

Section Six Subscriber Service

6.1 Cable Television Division Notice

In order to promote subscriber awareness of the availability of State assistance to Subscribers, Oceanic shall print on its monthly bill sent to Subscribers a bold face, single line item which contains the name, address and telephone number of the Cable Television Division. The format and placement of the entry shall be subject to prior approval by the Director. Oceanic shall submit its proposed notice to the Director for approval within thirty days from the effective date of the franchise. Oceanic shall publish the approved notice within sixty days from the date of approval by the Director.

6.2 Customer Service Office

(a) Oceanic shall maintain and operate within its Service Area at least two customer service offices to accept payments from Subscribers, returns of converters, and to receive and resolve all complaints, including without limitation, those regarding service, equipment malfunctions or billing and collection disputes. Oceanic shall maintain a staff adequate to provide such services in a timely and efficient manner.

(b) At a minimum, one of the consumer service offices shall be open for walk-in business Monday through Friday from 7:30 a.m. to 5:00 p.m., and on Saturday from 8:00 a.m. to 4:15 p.m. The other consumer service office shall at a minimum be open for walk-in business Monday, Tuesday, Thursday and Saturday from 9:15 a.m. to 5:00 p.m., and on Wednesday and Friday from 9:15 a.m. to 8:45 p.m. These requirements shall not apply to legal holidays.

6.3 Telephone Service

(a) Oceanic shall have a publicly listed local telephone number which shall be open at a minimum for telephone business Monday through Friday from 7:30 a.m. to 6:30 p.m., and on Saturday from 8:00 a.m. to 4:15 p.m., except for legal holidays.

(b) Oceanic shall have a special repair service local telephone number which shall be open at a minimum Monday through Friday from 6:00 a.m. to 10:45 p.m., on Saturday from 8:00 a.m. to 8:45 p.m., and on Sundays and all legal holidays from 10:00 a.m. to 6:45 p.m. At all other times, Oceanic shall have at a minimum an answering service to take calls.

(c) Oceanic shall submit to the Director within sixty days of the effective date of the franchise, all available information with respect to the adequacy of its telephone response capability including the following matters:

- (1) The average length of time which it takes a human operator to answer a Subscriber telephone call during peak times;
- (2) The number of abandoned telephone calls to subscriber service telephone numbers during peak times;
- (3) The number of busy signals received by callers during peak times; and
- (4) The effectiveness of any new computer equipment in decreasing response time.

(d) After reviewing such information, the Director may require Oceanic to perform further analysis of its telephone service and to make such information available to the Director.

(e) Based on the above information, the Director may require Oceanic to improve its telephone service.

6.4 Installation Service

Oceanic shall at a minimum provide installation service Monday through Saturday from 7:30 a.m. to 3:30 p.m., except for legal holidays.

6.5 Repair Service

Oceanic shall at a minimum provide repair service Monday through Friday from 8:00 a.m. to 9:00 p.m., on Saturday from 8:00 a.m. to 8:45 p.m., and on Sundays and all legal holidays from 10:00 a.m. to 6:45 p.m.

Section Seven Programming Services

7.1 Mix, Quality, and Level of Service

Oceanic shall not alter its current mix, quality and level of programming services without first obtaining the approval of the Director; provided that such approval shall not be unreasonably withheld.

7.2 Broad Categories of Programming

(a) Oceanic has offered to provide the video programming set forth in sections G.20 and H.4 of its application.

(b) Subject to availability, Oceanic shall carry programming in each of the following broad categories on its most widely available service tier:

- (1) Public access programming;
- (2) Educational access programming;
- (3) Governmental access programming;
- (4) Public non-profit station with national programming;
- (5) National sports programming;
- (6) National news programming;
- (7) Broadcast television stations as required by the FCC or applicable Law;
- (8) General entertainment including, for example, music, children's, cultural and special interest programming; and
- (9) Religious programming.

(d) No changes may be made by Oceanic in the broad categories of video programming without the Director's prior approval.

(e) Oceanic shall provide notice to the Director at least fourteen days in advance of any changes in its channel lineup.

Section Eight Institutional Networks

8.1 Institutional Networks

(a) Oceanic shall provide interconnections with two-way broadband video, voice, and data capability by installing fiber optic lines, materials, electronics, scrambling devices and converters, and maintain these interconnections at no charge or cost to the State between the following points:

- (1) The State government complex in downtown Honolulu (hereinafter the "Civic Center") and Oceanic's master headend during the first year of the franchise;
- (2) The Civic Center and the University of Hawaii at Manoa by way of the Oceanic master headend during the first year of the franchise;
- (3) The Civic Center and a state computer site located at Diamond Head during the second or third year of the franchise; and
- (4) The Civic Center and the Kapolei/Ewa second city complex. This installation shall be timed to make use of existing plant or correspond with installation of mini-hubbing, and in any case by the third or fourth year of the franchise.

(b) At no charge or cost to the State except for Oceanic's cost for labor and materials, Oceanic shall provide two-way voice, video, and data capability and maintenance for interconnections between the System and fifteen additional regional communication complexes and satellite services centers on Oahu to be selected by the Director by installing lines, electronics, addressable converters and by providing technical assistance to the State. Oceanic shall perform these services within twelve months after receiving notice from the Director.

(c) At no charge or cost to the State, Oceanic shall provide and maintain upstream electronics and links to Oceanic's System from the following PEG origination studios: University of Hawaii at Manoa, Leeward Community College, one public access studio (at the Waimanu site or its replacement), the Department of Education administration building, and three government sites located in the Civic Center to be selected by the Director. Oceanic shall perform these services within six months after receiving notice from the Director.

(d) At no charge or cost to the State except for Oceanic's cost for labor and materials, Oceanic shall provide and maintain upstream links and electronics to Oceanic's System from four DOE high schools: Moanalua, Kalaheo, Campbell and McKinley. These links shall be completed during the first three years of the franchise upon six months notice by the DOE.

(e) If there are additional PEG access origination sites established during the term of the franchise, Oceanic shall provide and maintain the upstream electronics and links to its System from these sites at no cost or charge to the State except for Oceanic's cost for labor and materials. Oceanic shall perform these services within six months after receiving notice from the Director.

8.2 Hawaii Interactive Television System

Oceanic shall provide interface capability from the Hawaii Interactive Television System to its System during the first two years of the franchise at no charge or cost to the State. This shall include an ITFS downconverter (Group 8), a four foot antenna dish, a frequency agile converter and the cost of installation.

8.3 Capital Contributions

The items and services required to be provided by this section shall be deemed to be capital contributions under section 622(g)(2)(C) of the Cable Act.

Section Nine Modification

9.1 Petition for Modification

No provision of Order No. 135 shall preclude Oceanic from petitioning the Director for a modification of any provision of Order No. 135 for any reason including but not limited to the following: (1) a change in federal law which would permit the Director to regulate rates under any circumstances; (2) the emergence of increased competition to the cable services offered by Oceanic; or (3)

underutilization of access facilities and equipment. The Director may in his sole discretion issue an appropriate modification of Order No. 135.

Section Ten Termination

10.1 Cumulative Termination Rights

The termination provisions herein shall be in addition to and not in derogation of any other rights or remedies which the Director may have with respect to the subject matter of Order No. 135.

10.2 Six Month Termination

(a) If any court, agency, commission, legislative body, or other authority of competent jurisdiction: (i) declares any part of section three (Immediate System Upgrade), section four (Future System Upgrade), section five (Public, Educational and Governmental Access), or section eight (Institutional Networks) of these terms and conditions is invalid or (ii) requires or allows Oceanic either to (a) perform any act which is inconsistent with any provision of such sections or (b) cease performing any act required by any provision of such sections, then at the option of the Director the term of the franchise shall terminate six months from the date of such event.

(b) Notwithstanding the above paragraph, in no event shall the franchise be terminated under paragraph 10.2(a) prior to the end of the fifth franchise year.

(c) The termination provisions of paragraph 10.2(a) shall be suspended for such period of time as Oceanic may elect to voluntarily perform its obligations under such sections; provided that Oceanic has given prior written notice to the Director of such voluntary performance.

10.3 New Franchise Application Not Excluded

In the event that Oceanic's franchise is terminated pursuant to paragraph 10.2, nothing herein shall prevent Oceanic from applying for a new franchise.

Section Eleven Miscellaneous Provisions

11.1 Exhibits

All Exhibits attached hereto are incorporated herein by this reference and expressly made a part of Order No. 135.

11.2 Headings

The headings or titles of paragraphs and sections contained in these terms and conditions are to facilitate reference only and shall not in any way affect the construction or interpretation hereof.

11.3 Change in Statutory Definitions

In the event that any provision of the Cable Act or Chapter 440G, Hawaii Revised Statutes, which is relied on herein for any definition or requirement, is repealed or amended, then the language of such provision at the time of such repeal shall nevertheless continue to apply for purposes of these terms and conditions, regardless of such repeal or amendment, except as otherwise provided herein.

11.4 Successors

All of the provisions of Order No. 135 and these terms and conditions shall apply to the Director, Oceanic and their respective successors.

11.5 Notices

All required notices to the Director under Order No. 135 shall be made in writing and shall be submitted to the Cable Television Administrator, 1001 Bishop Street, Suite 1460, Honolulu, Hawaii or at such locations as may otherwise be specified by the Director.

EXHIBIT "A"

Compilation of
Cable Access Programming Proposals and Needs
Assessment Questionnaires
October, 1987 - October, 1988

P = Proposal
Q = Questionnaire
L = Letter

Government - Oahu

Hawaii Public Broadcasting Authority (Resolution plus Letters)
Office of the Governor (Q)
High Technology Development Corp. of DBED (Q)
Department of Transportation Services (Q)
Office of State Planning (Q)
Honolulu City Council (Q, Comment, P)
City Department of Parks and Recreation (Q)
Executive Office on Aging, Governor's Office (Q)
Department of Personnel Services (Q)
Statewide Volunteer Services, Governor's Office (Q)
Department of Health (Q)
Film Industry Branch - DBED (Q)
Office of Collective Bargaining (Q)
Department of Accounting and General Services (Q)
Department of Business and Economic Development (Letter)
City Council (Letter, P)
Department of Agriculture (P, Q)
Honolulu Police Department (Q)
City Department of Health (Q)
City Department of Data Systems (Q)
City Department of Civil Service (Q)
Department of Labor and Industrial Relations (P, Q)
Department of Corrections (P, Q)
Honolulu Fire Department (P, Q, Amendment)
Honolulu Mayor's Office (P, Comment)
Department of Taxation (Q)
Department of Defense - Civil Defense (Q)
Department of Defense - Adjutant General (Q)
Office of the Lieutenant Governor (Q)
Department of Human Services (Q, Letter, P)
Oahu Civil Defense Agency (Q)
Hawaii State Public Library (Q)
Waimanalo Public and School Library (Q)
City Office of Human Resources (Q)
Department of Commerce and Consumer Affairs (ten division Q's)
Department of Labor and Industrial Relations: "Hana Lokahi" (10/88)

Department of Budget and Finance on Networking (P)
Department of Budget and Finance: Hawaii Interactive
Television System (P)

Public Education

DOE (P and Supplement)
DOE - Instructional Services (Q)
Hawaii Association of Language Teachers (P)
U.H. - Manoa (P)
U.H. - Center for Hawaiian Studies (P)
U.H. - The Broadcast Communications Authority (P)
U.H. - Chinese Language Education Association (P)
U.H. - Chancellor for Community Colleges (P)
U.H. - Department of Communication (P)
U.H. - Vice President for Academic Affairs (P)
U.H. - Leeward Community College (P)
U.H. - William S. Richardson School of Law (P)
U.H. - Vice President for Student Affairs (L)

Public Access

Straub Foundation (P)
KISA Radio (P)
James Swain (Letter)
Henry Freund (P)
Koe Le'o 'o Tonga (P)
Hawaii Film and Television School (P)
Career Awareness Program (P)
Goodwill Industries (Q)
Aloha Council - Boy Scouts of America (Q)
Pacific Telecommunications Council (Q)
University of Hawaii Professional Assembly (Q)
Honolulu Academy of Arts (Q)
American Red Cross, Hawaii State Chapter (Q)
Alu Like, Inc. (Q)
The Oceanic Institute (Q)
YMCA of Honolulu (Q)
Arts Council of Hawaii (Q)
Aina Haina Community Association (Q)
Punaluu Community Association (Q)
Pacific and Asian Affairs Council (Q)
League of Women Voters of Honolulu (Q)
Junior League of Honolulu (Q)
Common Cause/Hawaii (Q)
Kailua Hawaiian Civic Club (Q)
Hawaii Business League (Q)
Hawaii Society of CPA's (Q)
Hawaii Association of Realtors (Q)
Krisia Kane (P)
Aloha World Expose (Letter)
Hawaii Services on Deafness (L)

American Cancer Society (L)
KWHE Channel 14 and its constituents (L)
Community Television Producers Association (P)
Letters Supporting CTPA Proposal:

Bishop Museum
Chinese Language Education Association
Henry Freund
Celebrate Hawaii
Golden Day Pictures
Shannon McMonagle
Walter and Carla Chotzen
Hawaiian Professional Songwriters' Society
B.Y.U.H.
Dorothy Lum, President, CTPA
League of Women Voters
Scott Shirai
Ramona Mullahey
Liaison International
Afro-Hawaii
Marilyn McInnis
Career Awareness Program
Good News for Catholic Laity
Hawaii Conference of the United Church of Christ
Alu Like
Jackson Broadcasting (letter)
Jones/Rusk (letter)
Terri Hunter (letter)
Hawaii Community Television

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
3/4" VCR	SONY	VO-2610	STUDIO
BABYSOLARSPOT	MOLE-RICHARDS	TYPE 751	STUDIO
ERASER	COMPREHENSIVE	CVC-2500	STUDIO
FOCUS CONTROL	JVC	HZ-FM11U	STUDIO
HANDHELD MIC	ELECTRO-VOICE	635A	STUDIO
INTERCOM HD	R-COLUMBIA	CC/IC-2	STUDIO
INTERCOM PACK	HME	BH-710	STUDIO
INTERCOM PACK	HME	BH-710	STUDIO
INTERCOM PACK	HME	BH-710	STUDIO
INTERCOM PACK	HME	BH-710	STUDIO
INTERCOM PACK	HME	BH-710	STUDIO
LAVALIER	SHURE	SM-88	STUDIO
MIC (SHOTGUN)	AUDIO-TECHNICA	AT815a	STUDIO
MIC BOOM EX	AKG	221-2	STUDIO
MIC DESKTOP	ATLAS	D-S7	STUDIO
MIC STAND	AKG	201A-2	STUDIO
SPEAKERS	JBL	4401	STUDIO
TRIPOD DOLL	ITE	D-6	STUDIO
TRIPOD DOLL	ITE	D-6	STUDIO
TRIPOD DOLL	ITE	D-6	STUDIO
TRIPOD HEAD	BOGEN	3066	STUDIO
TRIPOD LEGS	ITE	T-6	STUDIO
TRIPOD LEGS	ITE	T-6	STUDIO
TRIPOD LEGS	ITE	T-6	STUDIO
VIDEO CAMERA	JVC	BY-110UP	STUDIO
VIDEO CAMERA	JVC	BY-110UP	STUDIO
VIDEO CAMERA	JVC	BY-110UP	STUDIO
VIDEO MONITOR	VIDEOTEK	VM-21	STUDIO
VIEWFINDER	JVC	VF-400U	STUDIO
VIEWFINDER	JVC	VF-400U	STUDIO
VIEWFINDER	JVC	VF-400U	STUDIO
ZOOM CONTROL	JVC	HZ-ZS11U	STUDIO
3/4" VCR	SONY	VO-5800	CONTROL RM
3/4" VCR	SONY	VO-5850	CONTROL RM
AMPLIFIER	TOA	A-901	CONTROL RM
AMPLIFIER	3M	SP-3	CONTROL RM
AUDIO DA	SHINTRON	316	CONTROL RM
AUDIO MIXER	TASCAM	M-30	CONTROL RM
B/W MONITOR	PANASONIC	WV-5350	CONTROL RM
B/W MONITOR	PANASONIC	WV-5350	CONTROL RM
B/W MONITOR	PANASONIC	WV-5350	CONTROL RM
B/W MONITOR	PANASONIC	WV-5350	CONTROL RM
CASS REC	TASCAM	225	CONTROL RM
CCU	JVC	RS-110U	CONTROL RM
CCU	JVC	RS-110U	CONTROL RM
CCU	JVC	RS-110U	CONTROL RM
CG	MICROGEN	MG-200	CONTROL RM
CONVERTER BOX	OAK	TC-35B	CONTROL RM
EDITOR	SONY	RM-440	CONTROL RM
HEADPHONE	REALISTIC	NOVA 55	CONTROL RM

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
INTERCOM BASE	HME	PS-730	CONTROL RM
INTERCOM PACK	HME	BH-710	CONTROL RM
INTERCOM PACK	HME	BH-710	CONTROL RM
INTERCOM PACK	HME	BH-710	CONTROL RM
INTERCOM-HEAD	R-COLUMBIA	CC/IC-2	CONTROL RM
MICROPHONE	AUDIO TECHNICA	PRO 1	CONTROL RM
RECEIVER	PIONEER	SX-V300	CONTROL RM
REEL TO REEL	TASCAM	22-2	CONTROL RM
SPEAKER	TOA	RS-21M	CONTROL RM
SPEAKERS	JBL	4401	CONTROL RM
SWITCHER	LENCO	PSW-467	CONTROL RM
SWITCHER	SONY	SEG-2000A	CONTROL RM
TBC	SONY	BVT-800	CONTROL RM
TIMER	GRALAB	300	CONTROL RM
TURNTABLE	TECHNICS	SLB-10	CONTROL RM
TV RCVR	HITACHI	CT-1321	CONTROL RM
VECTROSCOPE	VIDEOTEK	VSM-5A	CONTROL RM
VIDEO MONITOR	SANYO	DMC-6013	CONTROL RM
VIDEO MONITOR	SONY	PVM-1910	CONTROL RM
VIDEO MONITOR	SONY	PVM-1910	CONTROL RM
WAVEFORM MON.	VIDEOTEK	TSM-5A	CONTROL RM
WIPE EXTENDER	SONY	WEX-2000	CONTROL RM
3/4" VCR	SONY	VO-5800	EDIT 1
3/4" VCR	SONY	VO-5850	EDIT 1
AUDIO MIXER	TASCAM	M-106	EDIT 1
CASS REC	TASCAM	225	EDIT 1
CG	MICROGEN	MG-200	EDIT 1
EDITOR	SONY	RM-440	EDIT 1
RECEIVER	PIONEER	SX-V300	EDIT 1
SPEAKER	JBL	4401	EDIT 1
SWITCHER	SONY	SEG-2000A	EDIT 1
TBC	SONY	BVT-800	EDIT 1
VIDEO MONITOR	PANASONIC	BT-S1300N	EDIT 1
VIDEO MONITOR	PANASONIC	BT-S1300N	EDIT 1
VIDEO MONITOR	JVC	TM-R9U	EDIT 1
WAVEFORM MON.	VIDEOTEK	TSM-60	EDIT 1
3/4" VCR	SONY	VO-5800	EDIT 2
3/4" VCR	SONY	VO-5850	EDIT 2
AUDIO MIXER	SHURE	M-267	EDIT 2
CASS REC	TEAC	V-66C	EDIT 2
EDITOR	SONY	RM-440	EDIT 2
RECEIVER	PIONEER	SX-40	EDIT 2
SPEAKERS	JBL	4401	EDIT 2
VIDEO MONITOR	SONY	KX-1901A	EDIT 2
VIDEO MONITOR	SONY	KX-1901A	EDIT 2

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
3/4" VCR	SONY	VO-5800	EDIT 3
3/4" VCR	SONY	VO-5850	EDIT 3
AMPIIFIER	PIONEER	SX-1600	EDIT 3
AUDIO CASS	PIONEER	CT-2070R	EDIT 3
AUDIO MIXER	SHURE	M-267	EDIT 3
SPEAKER PAIR	JBL	4406	EDIT 3
VIDEO MONITOR	SONY	PVM-1380	EDIT 3
VIDEO MONITOR	SONY	PVM-1380	EDIT 3
3/4" VCR	SONY	VO-5800	EDIT 4
3/4" VCR	SONY	VO-5850	EDIT 4
AMPIIFIER	PIONEER	SX-1600	EDIT 4
AUDIO CASS	PIONEER	CT-2070R	EDIT 4
AUDIO MIXER	TASCAN	M-106	EDIT 4
CG	MICROGEN	MG-200	EDIT 4
ENG MONITOR	SONY	PVM-8221	EDIT 4
SPEAKERS PAIR	JBL	4406	EDIT 4
SWITCHER	LENCO	PSW-467	EDIT 4
SWITCHER	SONY	SEG-2550	EDIT 4
TBC	SONY	BVT-810	EDIT 4
VIDEO MONITOR	SONY	PVM-1380	EDIT 4
VIDEO MONITOR	SONY	PVM-1380	EDIT 4
WAVEFORM	TEKTRONIX	1730	EDIT 4
3/4" VCR	SONY	VO-5800	PREVIEW
3/4" VCR	SONY	VO-5800	PREVIEW
AUDIO CASS.	PIONEER	CT-X6	PREVIEW
RECEIVER	SONY	HST-49	PREVIEW
VIDEO MONITOR	PANASONIC	CCT-110	PREVIEW
VIDEO MONITOR	PANASONIC	CCT-110	PREVIEW

875 Waimanu Street, Room 101
Honolulu, Hawaii

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
HANDHELD MIC	ELECTRO-VOICE	635A	STUDIO 2
LAVALIER	SONY	ECM-30	STUDIO 2
AUDIO MIXER	SHURE	M-267	STUDIO 2
VIDEO MONITOR	SONY	PVM-1200	STUDIO 2
EDITOR	SONY	RM-440	STUDIO 2
TRIPOD	ITE	T-3	STUDIO 2
3/4" VCR	SONY	VO-5800	STUDIO 2
3/4" VCR	SONY	VO-5850	STUDIO 2

875 Waimanu Street, Room 600
Honolulu, Hawaii

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
ADDINGMACHINE	CITIZEN	127PII	ADMIN
TV RCVR/MON	SONY	CVM-1250	ADMIN
COMPUTER MON.	SYSDYNE	MD-12G	ADMIN
COMPUTER	IBM	PC-XT	ADMIN
PRINTER	NEC	SW-2000	ADMIN
CONVERTER BOX	OAK	TC-35B	ADMIN
3/4" VCR	SONY	VO-5850	ADMIN
CONVERTER BOX	MACOM	3025	ADMIN

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
3/4" PORTAPAK	SONY	VO-6800	REMOTE
3/4" PORTAPAK	SONY	VO-6800	REMOTE
3/4" PORTAPAK	SONY	VO-6800	REMOTE
AC ADAPTER	JVC	AA-C11U	REMOTE
AC ADAPTER	JVC	AA-C11U	REMOTE
AC ADAPTER	JVC	AA-C11U	REMOTE
AC ADAPTER	JVC	AA-C11U	REMOTE
AC ADAPTER	SONY	CMA-8	REMOTE
AC ADAPTER	SONY	CMA-8	REMOTE
AC ADAPTER	SONY	CMA-8	REMOTE
AUDIO MIXER	SHURE	M-68	REMOTE
BATT. CHARGER	SONY	BC-1WA	REMOTE
BATT. CHARGER	SONY	BC-1WA	REMOTE
BATT. CHARGER	SONY	BC-1WA	REMOTE
BATT. CHARGER	SONY	BC-1WA	REMOTE
HANDHELD MIC	ELECTRO-VOICE	635A	REMOTE
HANDHELD MIC	ELECTRO-VOICE	635A	REMOTE
HANDHELD MIC	ELECTRO-VOICE	635A	REMOTE
HANDHELD MIC	ELECTRO-VOICE	635A	REMOTE
LAVALIER	SHURE	SM-83	REMOTE
MIC (SHOTGUN)	SENNHEISER	K-3U	REMOTE
PORTA MIC MIX	SHURE	FP-31	REMOTE
QUICK RELEASE	JVC	KA-110XU	REMOTE
RF MODULATOR	SONY	RFK-634	REMOTE
RF MODULATOR	SONY	RFK-634	REMOTE
TRIPOD	SACHTLER	VIDEO14 II	REMOTE
TRIPOD	SACHTLER	VIDEO14 II	REMOTE
TRIPOD	SACHTLER	VIDEO14 II	REMOTE
TV RCVR/MON	PANASONIC	CT-5511	REMOTE
VIDEO CAMERA	JVC	BY-110UL16	REMOTE
VIDEO CAMERA	JVC	BY-110UL16	REMOTE
VIDEO CAMERA	JVC	BY-110UL16	REMOTE
VIDEO CAMERA	SONY	DXC-3000	REMOTE
VIDEO CAMERA	SONY	DXC-3000	REMOTE
VIEWFINDER	JVC	VF-110U	REMOTE
VIEWFINDER	JVC	VF-110U	REMOTE
3/4" VCR	SONY	VO-5800	PVOM
3/4" VCR	SONY	VO-5850	PVOM
AUDIO MIXER	SHURE	M-67	PVOM
AUDIO MONITOR	REALISTIC	32-2031	PVOM
B/W MONITOR	PANASONIC	WV-5200B	PVOM
B/W MONITOR	PANASONIC	WV-5200B	PVOM
B/W MONITOR	PANASONIC	WV-5200B	PVOM
BELT PACK	HME	BH-710	PVOM
BELT PACK	HME	BH-710	PVOM
BELT PACK	HME	BH-710	PVOM
CCU	JVC	RS-110U	PVOM
CCU	JVC	RS-110U	PVOM
CCU	JVC	RS-110U	PVOM
CG	MICROGEN	MG-12060	PVOM
CONVERTER BOX	MACOM	3025	PVOM
EDITOR	SONY	RM-430	PVOM

<u>ITEM</u>	<u>MAKE</u>	<u>MODEL</u>	
FOCUS CONTROL	JVC	HZ-FM12U	PVOM
FOCUS CONTROL	JVC	HZ-FM12U	PVOM
FOCUS CONTROL	JVC	HZ-FM12U	PVOM
HEADSET	BEYER	DT-108	PVOM
INTERCOM BASE	HME	RP-732	PVOM
MONITOR	SONY	PVM-8220	PVOM
QUICK RELEASE	JVC	KA-110XU	PVOM
SEG	PANASONIC	WJ-5500A	PVOM
SWITCHER	3M	3M	PVOM
SWITCHER	SONY	SEG 2000A	PVOM
TRIPOD DOLL	ITE	D-6	PVOM
TRIPOD HEAD	ITE	116MK2	PVOM
TRIPOD HEAD	BOGEN	3066	PVOM
TRIPOD LEGS	ITE	T-6	PVOM
TRIPOD LEGS	ITE	T-6	PVOM
TRIPOD LEGS	ITE	T-6	PVOM
VECTORSCOPE	TEKTRONIX	1720	PVOM
VIDEO CAMERA	JVC	BY110UL16A	PVOM
VIDEO CAMERA	JVC	BY110UL16A	PVOM
VIDEO CAMERA	JVC	BY110UL16A	PVOM
VIDEO MONITOR	SONY	PVM-8200T	PVOM
VIDEO MONITOR	SONY	PVM-8200T	PVOM
VIEWFINDER	JVC	VF-110U	PVOM
VIEWFINDER	JVC	VF-400U	PVOM
VIEWFINDER	JVC	VF-400U	PVOM
VIEWFINDER	JVC	VF-400U	PVOM
WAVEFORM MON.	TEKTRONIX	528-A	PVOM
ZOOM CONTROL	JVC	HZ-ZS12U	PVOM
ZOOM CONTROL	JVC	HZ-ZS12U	PVOM
ZOOM CONTROL	JVC	HZ-ZS12U	PVOM

CERTIFICATE OF SERVICE

I here certify that a copy of the foregoing DECISION AND ORDER NO. 135 in Docket No. 29-88-01 was served upon the following parties at the addresses shown below by hand delivery or by mailing the same, postage prepaid, on this 30th day of November, 1988.

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