

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

In the Matter of the Application of)	
)	
Daniels Communications Partners)	Docket No. 90-08
Limited Partnership doing business as)	
HAWAIIAN CABLEVISION COMPANY)	
)	
For Approval of Cable Franchise Renewal)	
to Provide Cable Communications Service)	
_____)	

DECISION AND ORDER NO. 146

On November 23, 1990, the Director of Commerce and Consumer Affairs ("Director") issued Decision and Order No. 142 which granted approval of a cable franchise renewal to provide cable communications services to Daniels Communications Partners Limited Partnership dba Hawaiian Cablevision Company ("DCPLP") subject to the Terms and Conditions that were incorporated by reference therein.

Upon further review of Decision and Order No. 142, the Director finds that clarification is needed in the following areas of the Decision and Order:

1. Page 1, Section I, Paragraph 2. "The Lahaina Times" should be "Lahaina News."

2. Page 4, Section IIIA, Paragraph 3. The second sentence should read "United Artists has gained control over systems through its purchase of Daniels & Associates, Inc. and its merger with United Cable Television Corporation."

3. Page 6, Section IIC, Paragraph 2. The last sentence should read "The general partner of DCP-85, Ltd. is Daniels Communications, Inc."

4. Page 6, Section III C, Paragraph 3. The second sentence should read "On August 31, 1988, the Director issued Decision and Order No. 134 which approved the transfer of stock of Daniels & Associates, Inc. to United Artists Entertainment, Inc."

In addition, upon further review and subsequent discussions with DCPLP, the Director believes that it is in the public interest to amend the following Terms and Conditions of Decision and Order No. 142:

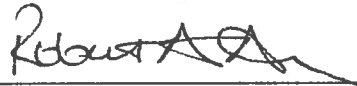
1. Paragraph 2.1 Franchise Term.
2. Paragraph 3.3 Other Business Activity.
3. Paragraph 4.3 Collateralization of System Assets.
4. Paragraph 4.4 Additional Borrowing.
5. Paragraph 4.5 Transfers or Payments.
6. Paragraph 5.2 Interconnection for Access Purposes.
7. Paragraph 5.3 Interconnection with HTS.
8. Paragraph 7.2 Access Fee.
9. Paragraph 7.3 Facilities and Equipment.
10. Paragraph 7.4 Access Channels.
11. Paragraph 7.8 Payment by Daniels Communications Partners Limited Partnership.
12. Paragraph 8.4 Miscellaneous.

The narrative section and the Terms and Conditions listed above from Decision and Order No. 142 are hereby amended and superseded by this Decision and Order. Except as amended, the provisions of Decision and Order No. 142 and the Terms and Conditions

that were incorporated therein are hereby ratified and approved and shall remain in full force and effect.

NOW, THEREFORE, it is hereby ordered that the Amended Terms and Conditions of Decision and Order No. 142, attached hereto and incorporated by reference shall reflect all terms and conditions of the transfer approved in Decision and Order No. 142, dated November 23, 1990, and shall supersede the Terms and Conditions set forth in Decision and Order No. 142.

DATED: Honolulu, Hawaii, January 8, 1991.



ROBERT A. ALM
Director of Commerce and Consumer
Affairs

AMENDED TERMS AND CONDITIONS OF DECISION AND ORDER NO. 142

Section One

Definitions

"Access channel" means any channel on the system made available for public, educational or governmental (hereinafter referred to as "Access") use.

"Access fee" means the annual fee to be paid by DCPLP to the Director or his designee for public, educational or governmental uses pursuant to paragraph 7.2.

"Basic service" means the lowest cost tier of cable service offered by DCPLP to all its subscribers which includes the delivery of local television broadcast signals, access channels, and local origination.

"Cable franchise" shall have the meaning as interpreted and set forth in Section 440G-3, Hawaii Revised Statutes.

"Cable service" shall have the meaning as interpreted and set forth in Section 440G-3, Hawaii Revised Statutes.

"Cable system" and "system" mean the cable system on the island of Maui doing business as Hawaiian Cable Vision Company and shall have the meaning as interpreted and set forth in Section 440G-3, Hawaii Revised Statutes.

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

"Daniels Communications, Inc." means Daniels Communications, Inc. formerly known as Daniels Holdings, Inc., a Delaware corporation.

"DCPLP" means Daniels Communications Partners Limited Partnership doing business as Hawaiian Cablevision Company, a Delaware limited partnership.

"DCP-85, Ltd." means DCP-85, Ltd., a Colorado limited partnership.

"Director" shall have the meaning as interpreted and set forth in Section 440G-3, Hawaii Revised Statutes.

"Educational access channel" means any channel on the system which is made available by DCPLP for use by educational authorities such as the Hawaii State Department of Education, Maui Community College, and other accredited educational institutions for non-commercial educational purposes.

"Government access channel" means any channel on the system made available for use by county, state, and federal government agencies.

"Gross revenues" means all cash, credits, property of any kind or nature or other consideration derived directly or indirectly by DCPLP, its affiliates, subsidiaries, and any other person or entity in which DCPLP has a financial interest or which has a financial interest in DCPLP arising from or attributable to operation of the Maui 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 a studio or cable channel;
- (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 agreed upon or contract price levels, the value of any goods, services, or other remuneration in non-monetary form, received by DCPLP or

others described above in consideration of performance by DCPLP or others described above of any advertising or other service in connection with the cable system.

Gross revenues shall exclude any amounts received by others described above from DCPLP as management fees, fees in the nature of general and administrative allocations, and partnership distributions.

"Leased access channel" means a channel made available to producers or programming services wishing to purchase channel time. Leased access may be commercial in nature.

"Local origination programming" means any program produced by or for the cable system and where the cable operator maintains editorial control over programming and scheduling.

"Person" means and includes any individual, partnership, firm, corporation, association, trust or other enterprise.

"PEG access programming" means any programming on any access channel developed by or made for the public, educational or governmental entities.

"Public access channel" means any channel on the system made available for use by individuals and organizations for non-commercial purposes.

"Public, educational, and governmental access facilities and equipment" means (1) channel capacity designated for public, educational, or governmental uses and (2) facilities, interconnection facilities, and equipment for the use of that channel capacity.

"State" means State of Hawaii.

"Subscriber" means any person lawfully receiving any cable service.

Section Two
Franchise Term

2.1 Franchise Term

- (a) Initial franchise term
November 26, 1990 - December 31, 1995

- (b) If the following items are accomplished by December 31, 1995, then Daniels Communications Partners Limited Partnership ("DCPLP") shall receive an additional franchise term of four (4) years with the franchise to expire on December 31, 1999.

- (1) extension of the termination date of DCPLP to at least December 31, 1999, unless the system has been disposed of to a transferee approved by the Director before the expiration date set forth in the DCPLP partnership agreement, or identification of a transferee of the West Maui cable franchise; and

- (2) completion of a study regarding the need for and feasibility of a sixty-channel upgrade.

(c) Notwithstanding paragraphs 2.1(a) and 2.1(b), taken as a whole, the provisions of this Order represent the optimum balance of interests in this case. Each provision has been weighed and balanced to form an integrated document. The elimination of any portion of this Order would consequently undermine the entire document. Therefore, if any section, subsection, sentence, clause, phrase or other portion of this Order is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body or other authority of competent jurisdiction, and the State determines that the unenforceable or unlawful provision(s) represent a substantial breach to the integral nature of this Order, then the franchise term for DCPLP will revert to:

- A five (5) year franchise (measured from the date the franchise was originally awarded if the invalidation occurs within the first two (2) years of operations); or

- A three (3) year franchise (measured from the date of the invalidation if such action occurs after the first two (2) years of operations, but in no event will the amended franchise term exceed the original franchise term)

Section Three **Management**

3.1 Limited and General Partners

(a) For the duration of the franchise term:

- (1) Daniels Communications, Inc. shall remain the general partner of DCP-85, Ltd.
- (2) DCP-85, Ltd. shall remain the general partner of DCPLP.

(b) Any change in the general ownership of five percent (5%) or more in Daniels Communications, Inc., shall be filed with the Director within ten (10) working days from the change.

(c) Any change in the limited partner of five percent (5%) or more in DCPLP shall be filed with the Director within ten (10) working days from the change.

(d) Any change in the general or limited partner of one percent (1%) or more of DCP-85, Ltd. shall be filed with the Director within ten (10) working days from the change.

3.2 Books and Records

Except as hereinafter provided in this paragraph, DCPLP shall maintain at its principal place of business on the island of Maui a complete set of books and records, including but not limited to subscriber records, monthly profit-and-loss statements, and other documentation relating to the operation of the cable system. All books and records not maintained and available for review at the local office shall, upon request, be made available locally within five (5) working days.

If these records are not available locally within five (5) working days of the request, then:

- (1) DCPLP agrees to pay an administrative fine of \$1,000 per day for each day that these records have not been produced; or
- (2) DCPLP shall make appropriate office space available and pay for air fare, hotel, other related travel expenses, and salary and fringe benefits necessary to allow the Director's representative(s) to review the requested records wherever they are located.

3.3 Other Business Activity

DCPLP shall not cause or permit its West Maui cable system to engage in any type of business activity in Hawaii or elsewhere which is not related to the operation of the West Maui cable system without the prior written approval of the Director.

3.4 Tariff

DCPLP shall amend its schedule of its rates of service and other information as required by the rules promulgated pursuant to Chapter 440G, Hawaii Revised Statutes, at least fourteen (14) days in advance of any changes. The terms and conditions of service shall be subject to approval by the Director to the extent permitted by law.

3.5 Reporting of Violations

(a) Upon acquiring knowledge of any event which is reasonably likely to lead to a violation of any condition of this Order DCPLP shall immediately notify the Director in writing specifying: (1) the nature of the violation, (2) an opinion as to when the violation is likely to occur, and (3) the action that DCPLP proposes to take regarding the probable violation.

(b) Upon acquiring knowledge of the existence of a violation of any condition of this Order, DCPLP shall promptly inform the Director in writing of (1) the nature of the

violation, (2) the period in which the violation has been in existence, and (3) the actions that DCPLP proposes to take with respect to the violation.

(c) By April 30 of each year, DCPLP shall submit to the Director a statement from its General Partner to the effect that no violation of this Order has occurred and is continuing and that DCPLP has observed or performed every condition contained in this Order. In the event a violation has occurred and is continuing or if DCPLP has not observed or performed all of the conditions contained in this Order, it will specify the nature and period of the violation and what action DCPLP has taken or proposes to take to with respect to the violation.

Section Four Financial

4.1 Changes in Purchase and Sale of Partnership Interests Agreement

Any material change in the terms and conditions of the Agreement of Purchase and Sale of Partnership Interests made by and among Perry B. Leff and Global Telecommunications Corp. and DCPLP ("the Perry Leff Notes") as approved in Decision and Order No. 127, dated May 14, 1987, subsequent to the date of this Order for the financing of the expansion or operation of the Maui cable system as reviewed and approved in this Docket shall require prior approval of the Director.

4.2 Covenant Violations

Any violation of a covenant of any agreement involving financing for DCPLP's Maui cable system shall be reported promptly in writing to the Director.

4.3 Collateralization of System Assets

The assets of DCPLP's Maui cable television system shall not be pledged as collateral for any additional borrowings subsequent to the financing approved in Decision & Order No. 127 which are not solely for the benefit of the Maui cable system. All additional collateralization of the system shall be reported to the Director.

4.4 Additional Borrowing

With respect to the West Maui cable system and excluding trade accounts, secured financings of vehicles and equipment in the aggregate principal amount of \$100,000, and advances, equity contributions, and subordinated borrowings from its partners, any borrowing or financing exceeding \$5,000 by DCPLP from whatever source and under whatever condition, shall require prior approval of the Director, except the foregoing shall not prohibit DCPLP from guaranteeing the debt of its partners in connection with any advances, equity contributions, and subordinated borrowings from its partners, and the prior approval of the Director shall not be required therefor.

4.5 Transfers or Payments

Except as provided below, any transfer or payment from the Maui cable television system of a sum in excess of \$50,000 and not related to the cost of operating the Maui cable system (including debt service) shall require the prior approval of the Director. Prior approval shall not be required for the following:

(a) Payments made under the Perry Leff notes; and

(b) Payments to the partners of DCPLP in connection with advances, equity contributions or subordinated borrowings as permitted in paragraph 4.4 above, provided that the Perry Leff notes have been fully satisfied.

4.6 Annual Financial Statements

(a) By April 30 of each year, DCPLP shall submit to the Director its annual financial statements for the preceding calendar year. The financial statements shall include a balance sheet, an income statement, a statement of cash flows, and notes to the financial statements. Each such financial statement shall be prepared in accordance with generally accepted accounting principles consistently applied. The financial statements shall be presented in sufficient detail to allow the analysis of the cable system on a stand-alone basis.

(b) The financial statements required to be furnished pursuant to paragraph 4.6(a) shall be accompanied by a statement showing the basis for computing and the

amounts paid by DCPLP or any subsidiary to its parents, affiliates, subsidiaries, general partners or any person for management fees and fees in the nature of general and administrative allocations.

4.7 Credit Agreement Compliance

DCPLP shall furnish to the Director, promptly upon their mailing or transmittal, all documents which show DCPLP's compliance with the provisions of the Perry Leff notes.

Section Five **Construction**

5.1 Institutional Network

(a) At no charge or cost to the State except for DCPLP's cost for labor and materials, DCPLP shall within three (3) months of a request by the Director provide and maintain two-way interconnections between its cable system and sites to be determined by the Director. DCPLP shall cooperate with Chronicle Cablevision of Hawaii to complete connectivity between the institutional network and sites within DCPLP's service area to be determined by the Director.

(b) These interconnections shall be capable of carrying T-1 circuits for data, voice, video, and analog in both directions.

(c) DCPLP shall work with the Director's staff, consultants, and others designated by the Director to develop and implement a coordinated plan for the use of the institutional network.

5.2 Interconnection for Access Purposes

On a schedule and in a manner to be determined in the plan described in paragraph 7.1 below, DCPLP shall effect an interconnection with the other cable system on Maui for the purpose of carrying access programming.

DCPLP shall receive a credit of up to \$69,000 for the completion of this interconnection to be applied against DCPLP's requirement to pay PEG capital funds described in paragraph 7.3 herein. In the event that the cost to complete this interconnection exceeds \$69,000, DCPLP shall cooperate to resolve this matter consistent with the plan described in paragraph 7.1 below.

5.3 Interconnection with HTS

Within three (3) months of a request by the Director, DCPLP shall provide for a single channel interface between the HTS (Hawaii Interactive Television System) and its cable system at no cost or charge to the State and at a cost to DCPLP not in excess of \$10,000. This shall include an ITFS down-converter, a receiving antenna dish, modulator, other hardware, and the cost of installation. In the event the cost to complete the HTS interconnection exceeds \$10,000, DCPLP shall be entitled to an equivalent credit against DCPLP's requirement to pay PEG capital funds described in paragraph 7.3 herein.

Section Six Programming Services

6.1 Mix, Quality, and Level of Service

Except to the extent permitted by federal law, DCPLP shall not alter its current mix, quality, and level of programming services for its basic service tier without the prior approval of the Director.

6.2 Basic Service Tier Broad Categories of Programming

(a) Subject to availability, DCPLP shall carry programming in each of the following broad categories of service on its basic service tier:

- (1) Public access programming;
- (2) Educational access programming;
- (3) Governmental access programming;
- (4) Local origination programming;
- (5) Public non-profit station with national programming;
- (6) National news programming;

- (7) Broadcast television stations as required by the Federal Communications Commission or applicable law; and
- (8) General entertainment including, for example, music, children's, cultural, and special interest programming.

(c) Except as provided below, no broad category of video programming may be deleted without the prior approval of the Director. Prior approval shall not be required for the following:

- (1) Programming is discontinued without notice to DCPLP;
- (2) Programming changes beyond the control of DCPLP.

(d) DCPLP shall provide notice to the Director at least fourteen (14) days in advance of any changes in its channel lineup.

Section Seven

Public, Educational, and Governmental Access

7.1 Access Plan

DCPLP shall work with the Director's staff, consultants, and others designated by the Director to develop for the Director's approval and to implement a coordinated plan for the use of public, educational, and governmental access facilities and equipment on the island of Maui. The plan shall at a minimum consider the following:

- (a) Resources available on the island of Maui for access use;
- (b) User needs and interests;
- (c) Models for providing public, educational, and government access;
- (d) Management of access facilities and equipment, including the interconnection of all cable systems on Maui, the activation of additional access channels, the scheduling of channel capacity, guidelines for the interim use of access channel(s) by the cable

operator, and the provision of facilities and equipment for the production of programming, including local origination programming;

(e) Coordination of access with HITS (Hawaii Interactive Television System), HAWAIIAN (HAWAII Wide Area Integrated Information Access Network) or any other interconnects; and

(f) Coordination with the Institutional Network set forth in paragraph 5.1.

7.2 Access Fee

(a) As hereinafter provided in paragraph 7.2(b) , during each and every year for the remaining term of the franchise, DCPLP shall pay to an account designated by the Director or his designee an amount up to three (3) percent of its Gross Revenues. These payments shall be used for public, educational, and governmental access uses.

(b) For the years ending December 31, 1991 through December 31, 1995, DCPLP shall pay on the due dates shown, to an account designated by the Director or his designee, an annual Access Fee equal to the greater of the amounts shown below or two (2) percent of Gross Revenues:

<u>Due Date</u>	<u>PEG Access Fee</u>
December 31, 1991	\$ 78,000.00
December 31, 1992	\$ 83,000.00
December 31, 1993	\$ 89,000.00
December 31, 1994	\$102,000.00
December 31, 1995	\$111,000.00

(c) The Access Fee required pursuant to paragraphs 7.2(a) and 7.2(b) may be reconsidered by the Director at the following times:

(1) By December 31, 1992 to determine the Access Fee for the years ending December 31, 1993 through December 31, 1995 based on the Director's consideration of the community's needs.

(2) By December 31, 1995, if DCPLP completes the items set forth in paragraph 2.1(b), to determine the Access Fee for the years ending December 31, 1996 through December 31, 1999.

(3) Upon transfer of the franchise.

(d) The Access Fee shall be calculated on the estimated annual Gross Revenues for the calendar year. Adjustments to the Access Fee due to differences between the estimated and actual Gross Revenues shall be made within thirty (30) days after the submission of DCPLP's annual financial statements to the Director. If DCPLP is entitled to a refund, the Director or his designee shall grant a credit towards the next payment of the Access Fee or make a refund if the last payment of the Access Fee has been made. The Director may require DCPLP to submit to an audit by the Director's accountant.

(d) The amount of the Access Fee required pursuant to paragraph 7.2(a) may be reconsidered by the Director based on consideration of the financial condition of DCPLP, the community needs, and other factors the Director deems necessary.

7.3 Facilities and Equipment

(a) For the years ending December 31, 1990 through December 31, 1999, DCPLP shall, on the due dates shown, provide to the Director or his designee PEG capital funds for PEG access facilities and equipment in accordance with the following schedule:

<u>Due Date</u>	<u>Amount</u>
December 31, 1991	\$60,000
December 31, 1992	\$50,000
December 31, 1993	\$30,000
December 31, 1994	\$10,000
December 31, 1995	\$10,000
December 31, 1996	\$40,000
December 31, 1997	\$24,000
December 31, 1998	\$40,000
December 31, 1999	\$35,665

(b) Any PEG capital funds paid pursuant to paragraph 7.3 shall not be credited to the Access Fee.

(c) For purposes of paragraph 7.3, "PEG capital funds" means the sum of money set apart specifically for public, educational, and governmental access facilities and equipment.

(d) In the event the West Maui cable franchise is transferred from DCPLP to United Artists Entertainment Company or an entity controlled by United Artists Entertainment Company, the PEG access requirements set forth in paragraphs 7.2 and 7.3 shall be applicable to United Artists Entertainment Company or the entity controlled by United Artists Entertainment Company and the amount(s) of PEG operating and capital funds required by this Order shall not be reconsidered by the Director.

If applicable, the transferee of the West Maui cable franchise shall bear the burden of proof that it is an entity controlled by United Artists Entertainment Company. The Director, in his sole, but reasonable discretion, will determine whether the entity is controlled by United Artists Entertainment Company for the purposes of this paragraph.

7.4 Access Channels

(a) By February 28, 1991, DCPLP shall designate to the Director one full-time activated channel for public, educational, and governmental access. Two (2) additional channels shall be designated by February 28, 1991, however, DCPLP may use the designated access channels as provided in this paragraph until such time as those channels are activated in accordance with the policies and procedures for activation determined under paragraph 7.1 above.

(b) The two additional channels designated for access use may be activated after December 31, 1993.

(c) All access channels, once activated, shall be used for public, educational, and governmental access and shall be transmitted or made available to all subscribers on DCPLP's basic service tier.

(d) DCPLP shall be permitted to use time on the access channel(s) whenever such access channel is not scheduled for use; provided that any such use by DCPLP shall at all times be subordinated to access programming and shall be preempted by access programming. Any such use shall be subject to guidelines established by the Director or Director's designee or as established pursuant to paragraph 7.1.

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

7.5 Access Organization

The Director may designate one or more entities to fund, control, manage or operate access facilities and equipment.

7.6 Access Transition

(a) DCPLP shall continue to fund and operate its existing access facilities and equipment until it receives notice from the Director to alter its present activities pursuant to paragraph 7.1 above. Access shall be made available for non-commercial use on a first-come, nondiscriminatory basis to all persons or groups requesting use of public, educational, and governmental channels.

(b) All equipment presently devoted exclusively to access use shall be transferred to the access organization(s) or entities designated pursuant to paragraph 7.5, upon the receipt of notice from the Director.

(c) All expenses relating to access operations paid within a given calendar year by DCPLP shall be credited towards the next annual access fee payment; however, the value of any facilities and equipment required to be transferred pursuant to paragraphs 7.5 and 7.6(b) above shall not be credited toward the payment of any access fee.

7.7 Reporting Requirements

(a) By April 30 of each year, DCPLP shall submit to the Director a report of local origination expenses and a report for access programming expenses for the preceding calendar year.

(b) For the purposes of accounting for amounts expended for local origination and access programming, DCPLP shall only include an appropriate portion of DCPLP's total operating expenses associated with local origination and access programming. Such portions of the total operating expenses shall reflect only necessary and reasonable expenses which can be specifically identified with, or allocated to, local origination and access programming in accordance with the benefits provided by the resources presented by the expenses. For the purposes of this paragraph, resources used for local origination and to comply with the access requirements shall be deemed to benefit local origination and access programming. In addition to operating expenses, amounts expended for local origination and access programming may include an annual depreciation allowance for local origination and access related equipment and facilities, as calculated over the assets' useful lives.

(c) Amounts expended for local origination and access programming shall be subject to the State's review in conjunction with the State's review of DCPLP's annual financial report. DCPLP shall make such changes in its accounting for local origination and access programming expenditures as the State may reasonably require consistent with generally accepted accounting principles. Unless and until any such change is required, DCPLP may continue to account for local origination and access programming expenses in the same manner as it has in the past. If the State has not required changes within six months of the State's actual receipt of DCPLP's local origination and access programming expenditure reports, then DCPLP's accounting for local origination and access programming shall be deemed accepted by the State.

7.8 Payment by Daniels Communications Partners Limited Partnership

(a) Within thirty (30) days from the date of this Order, Daniels Communications Partners Limited Partnership shall pay to the Director the amount of \$50,000. This amount shall be in full and complete satisfaction of all past obligations, if any. These funds shall be used to support public, educational, and governmental access for the district of Lahaina, on the island of Maui.

(b) The amount paid by DCPLP pursuant to paragraph 7.8(a) shall have no effect on the Access Fee paid pursuant to paragraph 7.2 or the PEG capital funds paid pursuant to paragraph 7.3.

(c) The amount paid by DCPLP shall not be passed through to DCPLP's subscribers in any form.

Section Eight

Miscellaneous

8.1 The Director hereby expressly reserves the right to regulate rates to the extent permitted by law.

8.2 Consistent with Section 612(b) of the Cable Communications Policy Act of 1984, on or before February 28, 1991, DCPLP shall file with the Director and implement a published schedule of terms, conditions, and charges for the leasing of cable channels for commercial use.

8.3 (a) This Order shall not be construed as exempting DCPLP or any affiliated or controlling entities from any antitrust law.

(b) This Order does not constitute an adjudication upon any antitrust issues which may be involved in this proceeding.

8.4 DCPLP, its employees, and agents, shall be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the DCPLP cable system. If DCPLP discovers any provision in the plans, specifications, orders or

documents which is contrary to or inconsistent with any such law, ordinance, rule or regulation, DCPLP shall promptly report it to the Director in writing. DCPLP, its employees, and agents, shall comply with all applicable federal, state, and local laws, rules and regulations issued pursuant thereto and shall indemnify the State against any loss, liability or damage occasioned by reason of a violation of this paragraph.

8.5 The failure of the State at any time to require performance by DCPLP of any condition of this Order shall in no way affect the right of the State to enforce the same. The waiver by the State of any breach of any condition of this Order shall not be taken or held to be a waiver of any succeeding breach of such condition or as a waiver of the condition itself.

8.6 DCPLP shall save and hold the State and its officials, agents, and employees free and harmless from any loss, expense or damage to person or property arising out of or resulting from any provision or requirement of the Franchise or exercising its rights or performing its duties under this Franchise.

8.7 The Director reserves the right to waive any condition of this Order for good cause.

8.8 Time is of the essence with respect to this Order.

8.9 The State may, from time to time, adopt or issue such rules, orders, or other directives governing DCPLP as it shall find necessary or appropriate in the exercise of its police power. The Director may, from time to time, issue such orders governing DCPLP as he shall find reasonably necessary or appropriate pursuant to and in furtherance of the purposes of this Order. DCPLP agrees to comply with all rules, regulations or orders lawfully binding upon it or other directives issued pursuant to this Order.

CERTIFICATE OF SERVICE

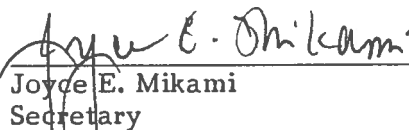
I hereby certify that a copy of the foregoing DECISION AND ORDER NO. 146 in Docket No. 90-08 was served upon the following parties at the addresses shown below by mailing the same, postage prepaid, on this 8th day of January, 1991:

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Denver, Colorado 80206

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Joyce E. Mikami
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