BEFORE THE

DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS

OF THE STATE OF HAWAII

In the Matter of the Application of)) DECISION AND ORDER NO. 282
TIME WARNER ENTERTAINMENT COMPANY, L.P.)))
For Transfer and Amendment of the Cable Franchises Held By G FORCE, LLC dba Garden Isle Telecommunications))))

DECISION AND ORDER NO. 282

I. INTRODUCTION

On or about July 10, 2002, the State of Hawaii ("State") Department of Commerce and Consumer Affairs ("Department") issued Decision and Order No. 281 ("D&O 281") that approved Time Warner Entertainment Company, L.P.'s ("TWE") applications for transfer of the Kauai cable franchises held by G Force, LLC ("G Force") subject to certain terms and conditions. For purposes of this Decision and Order ("Order"), the transfer shall be referred to as the "Kauai transfer application". D&O 281 was issued within the one hundred twenty (120) day period provided in Hawaii Revised Statutes ("HRS") section 440G-7 and Hawaii Administrative Rules ("HAR") section 16-133-16.

On July 11, 2002, TWE requested reconsideration of D&O 281, and TWE and the Department met on that date to discuss the request. TWE clarified its position regarding the interconnection of State's Institutional Network ("INET") on Kauai with the islands of Oahu, Maui, and Hawaii via submarine fiber. TWE also clarified its position regarding the activation of the interconnection for the State's INETs on the islands of Oahu, Maui, and Hawaii via submarine fiber (this is necessary to allow the State's INET on Kauai to interconnect with the State's INETs on the other islands).

After much discussion, TWE stated that it agreed, inter alia, to:

See, Time Warner Entertainment Company, L.P's Application for Transfer and Amendment of Cable Franchises Held by G Force, LLC.

- Interconnect/connect the State's INET on Kauai with the islands of Oahu, A. Maui, and Hawaii using submarine fiber (this would allow Kauai to participate in connectivity with the other islands via submarine fiber);
- B. Activate the interconnection for the State's INETs on the islands of Oahu. Maui, and Hawaii via submarine fiber within thirty (30) days from the date of this Order (to allow the State's INET on Kauai to interconnect with the State's INETs on the other islands); and
- C. Comply with the remaining provisions of D&O 281 and any other orders issued by the Director;

provided that the INET submarine fiber provision is deleted from D&O 281 and addressed in a separate "Memorandum of Agreement".

After carefully considering TWE's clarifications presented at the July 11, 2002 meeting, the Director grants TWE's request for reconsideration and believes that it is still in the best interest of the Kauai subscribers to approve TWE's Kauai transfer application subject to the above (and other) terms and conditions.

II. ORDER

NOW, THEREFORE, the Director:

- A. Hereby rescinds D&O 281 in its entirety (i.e., D&O 281 shall have no force and effect);
- Intends to enter into a separate "Memorandum of Agreement" with TWE B. that addresses the INET submarine fiber issue; and
- C. Intends to issue a new Decision and Order (i.e., Decision and Order No. 291) that approves TWE's Kauai transfer application subject to the above (and other) terms and conditions.

DATED: Honolulu, Hawaii, July 12, 2002.

KATHRYN S. MATAYOSHI
Director of Commerce and Consumer Affairs

Noedoe don

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing DECISION AND ORDER NO. 282 was served upon the following party at the address shown below by mailing the same, postage prepaid, on this 2 day of July 2002.

JOHN T. KOMEIJI, ESQ. BETH K. FUJIMOTO, ESQ. Watanabe, Ing & Kawashima First Hawaiian Center 23rd Floor 999 Bishop Street Honolulu, HI 96813

Attorneys for Applicant Time Warner Entertainment Company, L.P.

Clyde S. Sonobe
Administrator