

BEFORE THE DIRECTOR OF REGULATORY AGENCIES
OF THE STATE OF HAWAII

In the Matter of the Application of)
WEST HAWAII CABLE VISION, LIMITED) ORDER NO. 31
for a Cable Television (CATV) Permit.)

O R D E R

The Director of Regulatory Agencies, after finding that the application of WEST HAWAII CABLE VISION, LIMITED conforms with the requirements set forth in Section 440G-6, Hawaii Revised Statutes (Hawaii Cable Television Systems Law), and further finding that the planned and potential expansion of the applicant and other cable television companies are such that the granting of this application would serve the general welfare of the people of the State of Hawaii, hereby, subject to the conditions contained herein, grants authority to WEST HAWAII CABLE VISION, LIMITED to construct and operate for a period of twenty years a cable system to provide cable communications service to the Districts of North Kona, South Kona, and South Kohala, Census Tract Nos. 213, 214, 215, 216, and 217, State of Hawaii.

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The above authorization to provide cable television service to the Districts of North Kona, South Kona and South Kohala of the County of Hawaii is subject to the following conditions:

1. The permittee shall, prior to or immediately upon award of this service area permit, submit all documents from financial institutions and/or other sources of financing committing the funds necessary for the construction and initial operation of the proposed cable system.

2. The permittee shall complete construction of a wholly-owned distribution and origination system and begin service to:

a. All potential subscribers desiring service within the above-designated area within fifteen months of the award of this permit.

b. All applicants for service subsequent to the above-mentioned period within six months of their application for service.

3. The permittee, within sixty days of the award of this permit, shall begin the construction of the system herein authorized.

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4. The permittee shall provide all schools within its service area with a minimum of one free drop and shall provide all necessary tools, equipment and labor to provide for its installation. Any dispute as to this provision shall be resolved by the Director of Regulatory Agencies.

5. None of the permittee's equipment and facilities shall be utilized for any form of cablecasting without the prior written approval of the Director of Regulatory Agencies.

6. The permittee shall:

a. Maintain and otherwise provide for the effective use of the following restricted use color cable channels:

(1) Public Access Channels, at the minimum, at Kealakekua, Kailua, Waimea and Puako.

(2) Education Channel.

(3) Government Channel.

b. Utilize a "direct feed" reception of the television signal for retransmission over the cable distribution system.

c. Provide a signal at the subscriber terminal of at least 0 dbmv (1,000 microvolts referred to 75 ohms) and it shall be maintained within:

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- (1) 4 db of the visual signal on either adjacent cable television channel.
- (2) 10 db of the visual signal level on any other cable television channel.
- (3) Signal-to-noise ratio not less than 40 db.

7. All officers, directors and employees of the permittee shall be residents of the State of Hawaii; except that not more than two directors need not be residents of the State of Hawaii if they represent interest involved in the formation of the permittee corporation and do not constitute more than one-fifth of the total membership of the said board of directors. Any change in directorship shall be reported to the Director of Regulatory Agencies within ten (10) days thereof.

8. The permittee shall:

a. Within forty-five days of the issuance of this permit, provide the Director of Regulatory Agencies with a performance bond and/or corporate surety in an amount not less than \$620,233.50.

b. Upon award of this permit, and annually each year thereafter, on or before the fifteenth day of January, file a list of all shareholders and undisclosed principals holding one or more percent of the corporation's

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shares, noting the kind of shares held and the amount held thereof. The permittee shall also list its interest and the amount thereof in any other corporation, partnership, or business.

c. Notify and secure the prior written approval of the Director of Regulatory Agencies for all reorganizations, acquisitions, or transfers of the cumulative amount of one percent or more of its stock by any single individual, group of individuals, corporations and/or undisclosed principals.

d. Secure prior written approval of the Director of Regulatory Agencies before selling, exchanging, or transferring assets with an original acquisition or present market value, whichever is greater, in excess of the sum of five thousand dollars (\$5,000) to any individual, group of individuals, or corporations (including parent or holding companies), other than for the payment of legitimate costs incurred in operating the cable television system. Any dispute as to this provision shall be resolved by the Director of Regulatory Agencies.

e. Secure the prior written approval of the Director of Regulatory Agencies before engaging in any type or form of business activity other than allowed in this permit.

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f. Maintain all financial and business records, ledgers, files, charts of accounts and financial computer printouts, except those as may be specifically exempted by the Director of Regulatory Agencies, at the cable television systems principal offices within the State of Hawaii.

g. Maintain a current file with the Director of Regulatory Agencies, of the name(s) of a responsible managing employee(s) who shall have the power to act for the permittee in providing effective cable television service.

9. The permittee shall, prior to the beginning of subscriber service, submit for approval by the Director of Regulatory Agencies an interim tariff setting forth the terms, conditions and charges for cable services to the designated service area. The approved tariff shall remain in effect until such time as the Director shall conduct rate and tariff studies and hearings. The said approved tariff shall not discriminate among residential subscribers in the amounts charged for similar services and shall not exceed \$27.50 installation fee and \$10.00 per month subscription fee.

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Any or all of the foregoing conditions may be modified or waived by the Director of Regulatory Agencies upon the permittee showing good cause and when it is in the best interest of the people of the State of Hawaii.


Compliance with the herein stated provisions does not waive compliance by the permittee of existing and future Federal and State statutes and regulations governing cable television.

A violation of the herein stated conditions or the above regulations will give rise to an immediate basis for revocation or suspension of the permit, subject to a formal hearing pursuant to Chapter 91, Hawaii Revised Statutes (the Hawaii Administrative Procedures Act), and the rules and regulations for cable television systems.

Notwithstanding any provision herein stated, the Director of Regulatory Agencies shall have the power to do all things which are necessary or convenient to enforce the provisions and future amendments of Chapter 440-G, Hawaii Revised Statutes (the Hawaii Cable Television Systems Law).

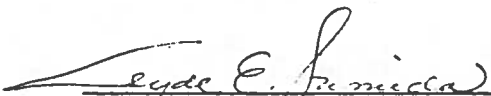
DATED: Honolulu, Hawaii, September 14, 1973.

APPROVED:



Edwin H. Honda
Director of Regulatory Agencies

APPROVED AS TO FORM:

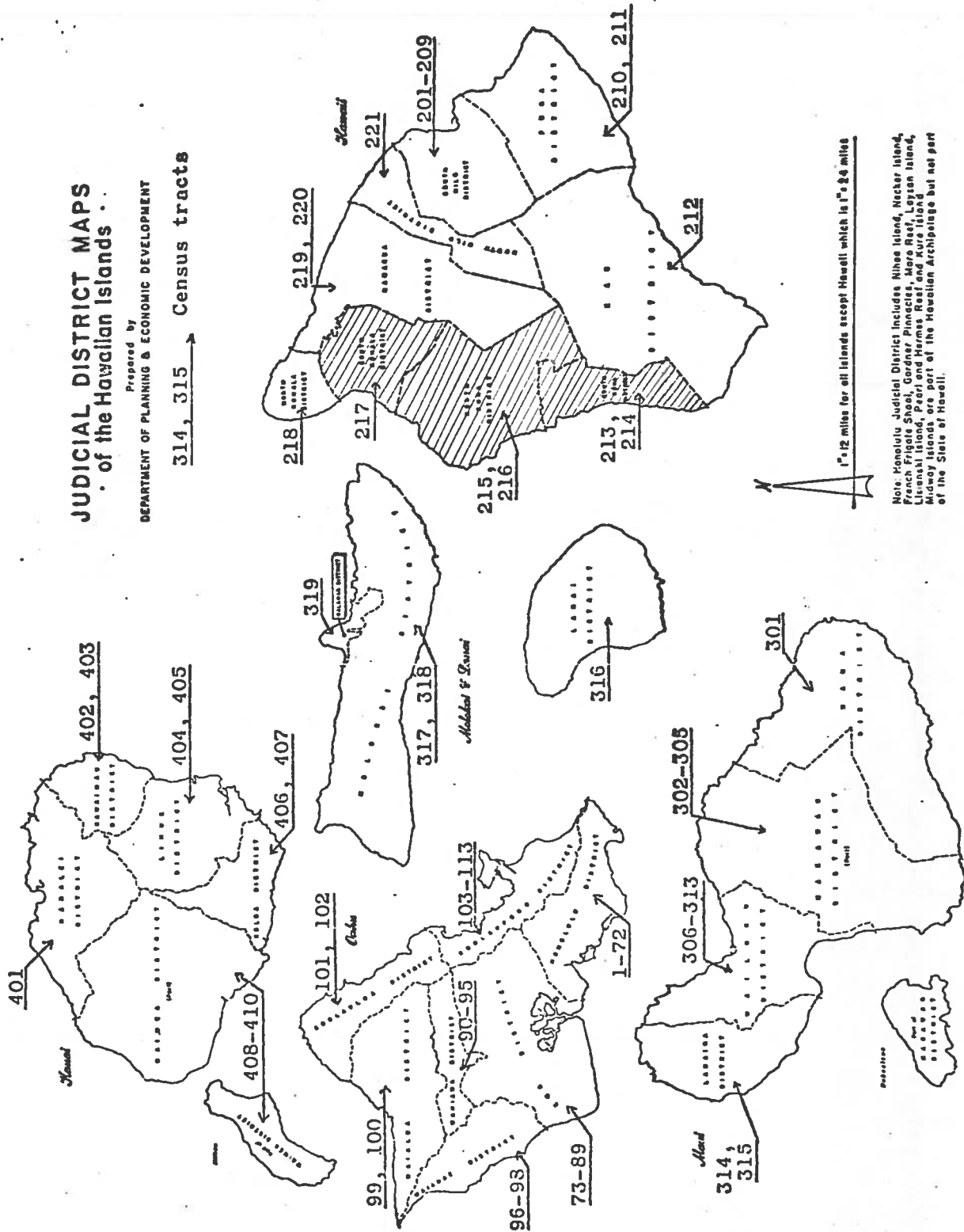


Clyde E. Penick
Deputy Attorney General
State of Hawaii

JUDICIAL DISTRICT MAPS of the Hawaiian Islands

Prepared by
DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT

314, 315 → Census tracts



1" = 12 miles for all islands except Hawaii which is 1" = 24 miles

Note: Honolulu Judicial District includes Nihoa Island, Necker Island, French Frigate Shoals, Gardner Pinnacles, Moku Reef, Lisianski Island, Pearl and Hermes Reef and Kure Island. Midway Islands are part of the Hawaiian Archipelago but not part of the State of Hawaii.