

BEFORE THE DIRECTOR OF REGULATORY AGENCIES
OF THE STATE OF HAWAII

In the Matter of the Application of)	
OCEANIC CABLEVISION, INC.)	DOCKET NO. 29-80-02
For Amendment of Rates and Charges.)	ORDER NO. 78
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ORDER

On January 17, 1980, the Applicant, Oceanic Cablevision, Inc., filed an application for approval of the proposed rates and charges which are the subject of this proceeding. The grounds set forth in support thereof were as follows:

1. Increased cost of construction and operation;
2. Applicant's commitments to lenders can be met only through a combination of rate adjustments, increased penetration and cost reductions;
3. Programming additions to its CATV-related services; and
4. The construction of a new AML microwave distribution system equalizing service for all of its subscribers.

The Cable Television Division undertook an investigation of the application and public hearings were held on December 16 and 17, 1980, at which time the subscribers and public were afforded an opportunity to present their views and comments.

It is hereby found that inflation has affected the costs of operation and that the construction program has created additional needs for increased revenues. Additional revenues are necessary to enable Applicant to meet its existing financial obligations.

Based on the foregoing, it is hereby ordered as follows:

1. That, the requested increase of \$.85 in monthly service rates is approved.

Order No. 78

2. That action on the requested second increase in monthly service rates of \$.50 be deferred for at least one (1) year from the effective date of the \$.85 increase and until:

a. Applicant has begun implementation of a construction plan that will result in the completion of cable facilities to all potential subscribers in its permit area no later than December 31, 1984;

b. Applicant has equalized the quality and quantity of programming services to all areas in its permit area, with the minimum number of programmed channels being seventeen in number;

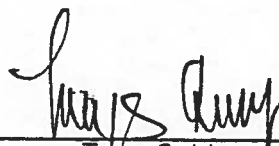
c. Applicant develops financial and operating data based on the approved \$.85 increase, to justify any future rate increase; and

d. Applicant adopts and maintains for regulatory purposes, a depreciation schedule acceptable to the Cable Television Division.

3. The requested increase in channel tariff for subscription television service from ten percent (10%) to thirteen percent (13%) of lessee's gross revenues as set forth in Exhibit "A" are approved retroactively from July 1, 1979.

4. The rates herein approved shall be the maximum rates permitted; lower rates may be charged by the Applicant for a particular region or area if, under all circumstances, they appear reasonable and are approved by the Department.

DATED: Honolulu, Hawaii, January 30, 1981.



Tany S. Hong
Director of Regulatory Agencies

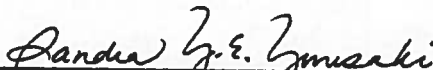
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Order No. 78 was served upon the following by mailing the same, postage prepaid, on this 2nd day of February, 1981:

Oceanic Cablevision, Incorporated
2669 Kilihau Street
Honolulu, Hawaii 96819

A copy was also served upon the following by personal delivery on this 2nd day of February, 1981:

Jeffrey Watanabe, Esq.
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Sandra Y.E. Yonesaki

Kobayashi, Watanabe, Sugita & Kawashima

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