

Red Fiber Parent LLC  
Application for Transfer of Cable Franchise  
Held by Hawaiian Telcom Services Company, Inc.

Information Requests Issued on August 19, 2020

These Information Requests (“**IRs**”) are being issued pursuant to Hawai`i Administrative Rules § 16-133-12. Each response should be made separately, and copies of source documents should specifically reference the IR being answered. The certification provided by Red Fiber Parent LLC (“**RFP**” or “**Applicant**”, as applicable) in the State of Hawaii Application for Transfer of Cable Television Franchise, filed on July 17, 2020, as amended, (“**Application**”), concerning the accuracy of the information is also applicable to Applicant’ responses to these IRs.

Each of the responses should be as complete and detailed as possible, and to the extent that an IR or any subpart thereof may not be applicable, Applicant must state why the IR or subpart is not applicable. In addition, for any IR that requires follow-up, the required information must be submitted immediately upon receipt of that information.

1. Applicant has conveyed the importance of continuing the development of the cable system and fiber network and that the proposed transaction has the benefit of providing additional liquidity, capital flexibility and resources. If the proposed transaction is approved and effectuated, will Applicant invest additional funds for the build-out of the cable system and fiber network located in areas beyond what was committed to and planned from the 2017 transfer approval?
  - (a) How much additional funds will be invested in Hawai`i through this proposed transaction (not including the \$20 million commitment made under the 2017 transfer approval)?
  - (b) How much of the additional investment will be allocated for the cable system and fiber network?
  - (c) What goals and plans does Applicant have regarding the development of Hawaiian Telcom Services Company, Inc.’s (“**HTSC**”) cable system and fiber network in Hawai`i?
2. Applicant states that it is committed to supporting and completing the commitments made in the 2017 approval of the Cincinnati Bell transaction as set forth in Decision and Order No. 370.
  - (a) One of the commitments from D&O No. 370 requires that Cincinnati Bell invest at least TWENTY MILLION AND NO/DOLLARS (\$20,000,000.00) throughout the State, including areas outside of HTSC’s current franchise area, to improve and build out its network and infrastructure. To date, of

the \$20 million commitment, how much has been invested in the infrastructure in Hawai'i? Provide any additional information on how this commitment will be completed in the prescribed time and whether the plan submitted in the Confidential 2020 Annual Progress Report has and will remain unchanged. If not, how has it changed.

- (b) As part of the commitments made in D&O 370, Cincinnati Bell and HTSC agreed to facilitate WiFi service throughout the State, though a public WiFi partnership. Since the approval in 2017, this commitment has evolved somewhat. At this time, please provide a detailed description of the efforts made to fulfill this commitment thus far and any further commitments that can be made with respect to WiFi services for the benefit of HTSC's customers and the general public throughout Hawai'i.
- 3. On page 10 of the Application, Applicant states that the proposed transaction "will provide HTSC with the expanded liquidity and capital flexibility it needs to continue growing its business and serving its customer base throughout its service territory. Through an improved financial position and additional financial resources and knowledge that will be gained with Red Fiber Parent under the subject Transaction, the combined operation will place HTSC in a position to provide a more expansive range of products and innovative services and to further expand communications infrastructure across the Hawaiian Islands to better address demands for high-speed broadband, competitive video offerings and other next generation, integrated communications services over an enhanced and expanded fiber network."
  - (a) RFP, RF Topco LLC, and Red Fiber Holdings LLC were all formed in February 2020, explain how the additional financial resources and knowledge of RFP will assist in the benefits stated above.
  - (b) Applicant notes that at this time it cannot provide specific details on the expansion and improvement of services the proposed transaction will provide, is there any additional information that can be given regarding how the proposed transaction will increase the services and technology for HTSC's customers?
- 4. Applicant has committed to preserving a Hawai'i-based presence at HTSC under the proposed transaction.
  - (a) Describe how the proposed transaction, if approved and effectuated, will impact HTSC's overall workforce?
  - (b) Will new jobs be created in Hawai'i?

- (c) How many new jobs are projected to be created in Hawai'i?
  - (d) What types of jobs will be created in Hawai'i?
  - (e) Will there be any changes to the decision making hierarchy for day-to-day operations or for the resolution of issues or complaints?
  - (f) Will any call centers or customer service offices be closed in Hawai'i? Will there be any changes to the number of customer service staff utilized?
  - (g) On page 35 of the Application, Applicant states that there are plans to expand the hours the customer service office is open to 24 hours a day, 7 days a week. Approximately when will these new hours be implemented?
5. During prior transfer/merger proceedings, Hawai'i consumers have expressed concerns over rate increases in their cable and broadband Internet services once the transaction is completed.
- (a) Will the merger reduce or maintain HTSC's rates for cable and broadband Internet service at current levels if the proposed transaction is approved and effectuated?
  - (b) If Applicant is unable to make any commitments that its rates for Hawai'i cable subscribers will not increase if the proposed transaction is approved and effectuated, please explain why.
  - (c) Upon termination of cable or broadband Internet service by a HSTC customer, will Applicant/HTSC commit to providing prorated billing wherein subscribers are only charged for the days that services are received?
6. Relating to HTSC's broadband services:
- (a) While continuing the development/deployment of its fiber network in Hawai'i, will approval of this proposed transaction lead to an increase minimum broadband Internet speeds for HTSC's Hawai'i customers?
  - (b) Will Applicant voluntarily commit to pricing that will not unduly harm the Hawai'i public and be consistent or in alignment with the price structure set for its broadband Internet service on the mainland United States?

- (c) Currently, HTSC provides a low-cost broadband option for low income customers in Hawai'i. Are there any plans to change or enhance this program? If there are, please provide details.
7. On page 35 of the Application, Applicant appears to state that the proposed transaction will not impact HTSC's existing obligations to public, educational, and governmental ("PEG") access on Oahu. Please confirm and further detail Applicant's commitment to PEG services and any commitments that it can make regarding further support of PEG programming on Oahu especially with respect to changing technologies.
  8. On page 37 of the Application, Applicant states that the proposed transaction will allow HTSC to "be better positioned to deliver a broader suite of services" and strengthen competition "in terms of pricing, content, value, customer service and innovative products and offerings." Provide details on the broader suite of products and services. Are these broader products and services being offered in all of Cincinnati Bell's franchise areas? Since 2017, what additional products have been offered to Hawai'i subscribers and what are Applicant/Cincinnati Bell's plans to offer additional products and services to Hawai'i subscribers?
  9. Please provide a detailed explanation of HTSC's commitment (under Applicant's control) to keep abreast with changing technological developments and how it intends to incorporate such developments into its cable system on Oahu and other services such as broadband, if the proposed transaction is approved and effectuated.
  10. Summarize and describe any plans for future capital spending to expand and upgrade the cable system and communications infrastructure currently controlled by HTSC's parent company in Hawai'i.
  11. Summarize and describe any plans to improve HTSC's back office functions to improve or enhance service to its customers. Currently, some of HTSC's subscribers have complained of long call wait times to address service issues and HTSC's monthly reports regarding call center performance levels appear to reflect the need for improvement.
  12. Please provide a copy of the Public Interest Statement related to this matter filed with the Federal Communications Commission.
  13. Summarize, how this proposed transaction is in the interest of the public and how it will directly serve and benefit HTSC's customers.