



**The Senate
Office of the President**

STATE CAPITOL
HONOLULU, HAWAII 96813

October 6, 2020

Ji Sook "Lisa" Kim
Cable Television Administrator
Cable Television Division
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809


Re: Department of Commerce and Consumer Affairs ("DCCA") Public Hearing
5:00 p.m. on September 10, 2020
Red Fiber Parent LLC ("RFP")'s Application for Transfer of Cable Television Franchise
and for the Indirect Transfer of Control of Hawaii Telcom Services Company, Inc.'s
(HTSC) Hawaii Cable Franchise on Oahu, at the Parent Level, from Cincinnati Bell Inc.
to RFP

I am informed that RFP is applying for transfer of HTSC's cable television and indirect transfer of cable control from Cincinnati Bell Inc. to RFP. Please accept this testimony offering comments on the application.

Having reviewed RFP's application and their representations, it is expected that RFP will meet their intentions to improve HTSC's infrastructure and services throughout the state while ensuring DCCA equal conditions and requirements across cable carriers to provide the best services for the people of Hawaii.

Thank you for the opportunity to provide comments and if there are any questions with regard to the foregoing, please do not hesitate to contact me or my office.

Sincerely,


SENATOR RONALD D. KOUCHI
President of the Hawaii State Senate



UNIVERSITY
of HAWAII®
SYSTEM

Garret T. Yoshimi
Vice President for Information Technology
and Chief Information Officer

October 9, 2020

Ms. Catherine P. Awakuni Colon, Director
Department of Commerce and Consumer Affairs
State of Hawai'i

RE: Transfer Application by Red Fiber Parent LLC (RFP) for the transfer of control at the parent level of Hawaiian Telcom Service Company, Inc.'s (HTSC) Hawai'i cable franchise on Oahu from Cincinnati Bell Inc. (CB) to RFP

Dear Ms. Awakuni Colon:

The University of Hawai'i appreciates the continuous dedication of you and your staff to the ongoing efforts to oversee and manage the franchise agreements to preserve the balance of interests for the public good. The unwavering commitment of DCCA over the past decades in support of educational access and institutional networks in Hawai'i is absolutely critical to public education in our state. Together with our partners at Enterprise Technology Services of the Department of Accounting and General Services, and the Department of Education, we have been able to deliver mission critical benefits through the INET collaboration with HTSC.

HTSC has been a long standing, highly valued partner with the public education community over many decades, including its more recent participation as a Hawai'i cable franchisee for Oahu. Public education directly benefits from HTSC's commitments to its cable franchise agreement, and looks forward to that commitment and experience continuing under the proposed transfer of HTSC parent organization CB with RFP.

Based on documents filed in the transfer application, we understand that RFP has committed to continuing its obligations under the existing cable franchise agreement, and further, that RFP intends to continue to advance investments in Hawai'i's broadband fiber optic infrastructure, to broadly benefit the HTSC customer community.

The University of Hawai'i looks forward to continuing the long standing and productive relationship with DCCA and HTSC, beyond the completion of the proposed transfer. We support the transfer application effort, and look forward to ongoing investment in Hawai'i's critical broadband infrastructure, and in particular, support for public education and government as established under the existing franchise agreement.

Please feel free to contact me at 808-956-3501 or gyoshimi@hawaii.edu if you have any questions on this matter, or if you would like to engage in discussions related to the subject transfer application.

Sincerely,

A handwritten signature in blue ink, appearing to read "Garret T. Yoshimi".

Garret T. Yoshimi
Vice President for IT and CIO

c: Ms. Ji Sook (Lisa) Kim, Administrator, Cable Television Division, DCCA (via email)

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October 9, 2020

Department of Commerce and Consumer Affairs
Cable Television Division
P.O. Box 541
Honolulu, HI 96809

Re: Transfer Application of Red Fiber Parent LLC for Transfer of Control of Hawaiian Telcom's
Cable Franchise on O'ahu

Dear Director Catherine P. Awakuni Colon and Cable Administrator Ji Sook "Lisa" Kim:

Thank you for the opportunity to share our comments on the transfer of control of the cable franchise held by Hawaiian Telcom to Red Fiber Parent LLC ("Red Fiber"). On behalf of the private non-profit corporation that serves as the Public, Education and Government ("PEG") Access services provider on O'ahu, we appreciate the opportunity to submit this testimony.

Ōlelo presently shares a positive working relationship with Hawaiian Telcom. Throughout the years Hawaiian Telcom has proven to be strong PEG partners, taking supportive and innovative action to help us serve our island community, a common goal. They've shown a sensitivity to preserving localism by supporting island voices that utilize PEG Access as a resource to learn how to capture stories via creative media and showcase their programs on Ōlelo's channels.

Hawaiian Telcom currently provides us two HD channels – 1049 and 1053 that mirror two of our four PEG channels and continues to work with our technical services team relating to transport of video content between Ōlelo and Hawaiian Telcom as well as on Hawaiian Telcom's Video on Demand ("VOD") platform. It is because of this cooperative spirit that Ōlelo supports this request for transfer of control, provided that Red Fiber and Hawaiian Telcom continue to honor the many local partnerships that HTSC has, including ours, and commits to supporting PEG Access by meeting the requirements stated in the DCCA Cable Television Division's Decision & Order No. 352.

High definition cable channels are what cable viewers gravitate to and for good reason. By having our community programming on HD channels, it elevates the exposure as most viewers today view programs in HD and not necessarily in standard digital format. The difference in video and audio quality of high definition over standard digital is remarkable.

We note that program content on 'Ōlelo's two remaining standard definition channels have been and are capable of being transmitted in high definition. Section IV, G.1. of Decision and Order 352, states: "[h]igh definition program content on the Franchise Required Channels and PEG Access Channels shall be transmitted in high definition." Moreover, we note that since local broadcast stations are available in high definition on Hawaiian Telcom's cable system, providing all four of 'Ōlelo's local community broadcast channels in high definition is consistent to that regard.

We also appreciate the financial support received from their cable subscribers in terms of the franchise fees. They provide needed resources to continue to train community members and to share their stories to the greater community. 'Ōlelo's local programming is content that truly exemplifies "free speech" that is barrier free to everyone on O'ahu. Programming on our PEG access channels are primarily produced and submitted by community members – individuals who could be your neighbor, relative or friend; government agencies; and nonprofit agencies. These community producers provide a diverse and wide variety of hyperlocal, noncommercial programming available to cable viewers and community at large.

We are optimistic and see a future where through the continued support and investment of Hawaiian Telcom/Red Fiber:

- Expansion of their fiber network - will help to deploy cable and other advanced services throughout O'ahu.
- Continuing to provide PEG VOD channels for government and community programming – will help to provide a library of community based content to their cable subscribers on an on-demand basis.
- Cultivating the next generation of story tellers – will help to advance the educational learning experience from elementary through high school and beyond with creative media training and mentoring that 'Ōlelo provides to students and educators.
- Continuing to provide a variety of diverse, relevant and entertaining community programming – programming unique to our island - will help to expand the reach for Hawaiian Telcom cable subscribers of local community programs that are not available on satellite cable systems and other content providers not subject to similar regulation as franchised cable operators like Hawaiian Telcom.

When you look around today, almost everything is relatable to creation of video content in what we view whether on television or the Internet. Individuals, organizations, government agencies, and the like are utilizing video to convey their message or story on multiple platforms. 'Ōlelo and PEG Access, through the continued support of Hawaiian Telcom/Red Fiber and its cable subscribers, will continue to provide the necessary training, tools and resources to empower them to create and share their stories to the greater community. That is and continues to be our mission. Since its inception 30 years ago, 'Ōlelo through its community of producers has been at the forefront of content generation for cable viewers. We believe there is an opportunity for 'Ōlelo and Hawaiian Telcom to strengthen our partnership in mutually developing and generating content that is relevant, appealing and entertaining to viewers. We look forward to exploring this opportunity with Hawaiian Telcom/Red Fiber.

In the Transfer Application, the State asks Red Fiber to summarize changes, if any, that it will undertake or is proposing in the next ten years to areas like PEG Access support. (Section II G.2.) We appreciate Red Fiber's responses that, "HTSC local management, with the benefit of Cincinnati Bell's managerial and operational experience combined with Red Fiber Parent's additional resources and support, will continue to manage the operations in Hawai'i and play an important role in decision making in the combined entity and to shape how best to meet the needs of Hawai'i's communities." We appreciate

these responses as it shows an understanding of the unique business culture in Hawai'i. Maintaining local management in the operations of the company will provide the connectivity or nexus to continue to build stronger partnerships and collaborations with community-based organizations and local businesses.

In response to Information Requests put forth by the DCCA in the prior transfer of control of the cable franchise held by Hawaiian Telcom to Cincinnati Bell relating to continued support of PEG Access, we noted Cincinnati Bell's stated experience with PEG Access organizations and services in its franchise areas in the mainland U.S., its numerous PEG Access channels in its channel lineup, and work with organizations representing 60 government entities, communities and school districts indicates that Cincinnati Bell understands the importance and value of PEG Access to local communities who need to create and share local stories on their cable system. Since Cincinnati Bell will be an affiliate entity of Red Fiber and indirect parent of Hawaiian Telcom under the proposed transfer, we trust that Red Fiber will continue to value PEG access organizations and local community programs.

With respect to the Red Fiber transfer application and when asked to "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 respect to changing technologies," Red Fiber responded that they "currently have no plans to make any changes to HTSC's PEG arrangements and will honor existing commitments ... HTSC intends to continue to support PEG access in the future in accordance with the requirements of the Franchise Agreement (Decision and Order No. 352)." (IR 7) We appreciate Hawaiian Telcom and Red Fiber's continued support of PEG access and 'Ōlelo.

As noted above, Hawai'i's business environment is unique in the sense of the diversity of our residents and local communities. 'Ōlelo sees this transition as an opportunity to forge even stronger positive relations with Hawaiian Telcom to showcase local talent, events and issues that make our community unique, diverse and vibrant. We trust that the DCCA will continue to oversee the requirements and obligations with respect to PEG Access to insure Red Fiber and Hawaiian Telcom's fulfillment of those obligations provided in D&O No. 352, with attention to those that support PEG Access:

- That all PEG Access Channels are transmitted to all Subscribers on Basic Service Tier. (Section IV C.1.)
- The provision of 4 digital channels designated for public, educational, and government access purposes in both standard digital and (in maintaining technical picture quality) high definition formats. (Section IV F.1.)
- Two-way PEG Access connectivity capacity at 2 sites. (Section IV F.4.)
- Ensuring that technical quality of PEG Access and other required Channels are at least equivalent to the technical and picture quality of the local broadcast television stations, and can be located and viewed in the same manner as other commercial channels; that PEG channels will continue to be located in a contiguous grouping of channels. (Section IV G.1-2)
- Promotional "Tune-in" Public Service Announcement placements of which approximately 1000 spots are allocated to PEG Access. (Section IV G.3.a.)
- PEG Access programming inclusion on on-screen and online program guides. (Section IV G.4.)
- Consideration of future digital upgrades to PEG Access channels, which includes upgrades to the equipment and facilities. (Section IV H.2.)
- Ensure continuation of subscriber based franchise fees for operating and capital support for PEG Access. (Section IV I and J)

The DCCA has indicated their ongoing support of PEG Access services throughout the State, and we appreciate the support and collaborative working relationship with DCCA and Hawaiian Telcom. Through the collective efforts of DCCA, Hawaiian Telcom, and 'Ōlelo, we can achieve greater successes that benefit our communities as well as provide positive impacts to individuals, families, keiki to Kūpuna and community-based organizations.

For 30 years, 'Ōlelo Community Media has empowered, equipped and engaged thousands of O'ahu residents, organizations, institutions, officials and agencies through creative media training and services necessary to share meaningful stories and dialogue via PEG Access Channels. We leverage resources through many dedicated volunteers and long-standing community partnerships to maximize services to our island residents. Thousands of hours of original programming are submitted annually by our local community producers. Our youth and educator initiatives touch thousands of students and their teachers throughout the year. Our programs represent O'ahu's rich diversity in culture, traditions and perspectives. These successful outcomes can continue to flourish by maintaining the PEG Access provisions in the cable franchise.

As a 501 (c) (3) organization, 'Ōlelo's programming is noncommercial and uncensored, a true platform for free speech. Our dedicated community of clients trained by 'Ōlelo create and share their unique, diverse, and informative programs to viewers on the cable channels, VOD channel, and to the community at large through 'Ōlelo's OnDemand platform. We view our relationship with Hawaiian Telcom as a partnership and through programming from 'Ōlelo we bring value to their viewership.

We note that the week of October 19 through 25th is National Free Speech Week. It is a time to raise public awareness of the importance of free speech and to celebrate that freedom. In the exercise of free speech, PEG Access is a vehicle for anyone in your community to learn to create and share their stories to the public on a platform and in a manner not available on traditional broadcast and commercial television.

In summary, 'Ōlelo supports the Red Fiber and Hawaiian Telcom request for transfer of control of the cable franchise, provided that they continue to comply with and fulfill the PEG Access requirements and obligations set forth in Decision and Order No. 352. We trust that Red Fiber will preserve the local presence by maintaining local operations of management and staff, the many partnerships that Hawaiian Telcom has formed with our local community, including the one with us, and that it will abide by its commitment to continue to support PEG access in the future.

Thank you again for the opportunity to provide these comments.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Sanford Inouye', written in a cursive style.

Sanford Inouye,
President and CEO, 'Ōlelo Community Media