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VIA E-MAIL & U.S. MAIL

March 12, 2021

Gregg Fujimoto
Senior Vice President
Spectrum Oceanic, LLC
151 Palii Street
Mililani, Hawai'i 96789-3999

Re: Letter Order – Modifications to Monthly and Quarterly Reporting

Dear Mr. Fujimoto:

Pursuant to Hawai'i Revised Statutes ("**HRS**") chapter 440G, Hawaii Administrative Rules ("**HAR**") § 16-131, and numerous Decision and Orders ("**D&O**") and Letter Orders, cable operators are required to file with the Director of the Department of Commerce and Consumer Affairs ("**Director**") reports of its financial, technical, and operational condition and its ownership. These reports are filed with the Department of Commerce and Consumer Affairs ("**DCCA**") on a monthly, quarterly, and/or annual basis.

On December 31, 2019, Spectrum Oceanic, LLC ("**Spectrum**") submitted a letter to DCCA requesting certain modifications to its required monthly and quarterly reports ("**Proposal Letter**"). Spectrum noted that "[h]istorically, the format and content of the filed reports has varied and lacked uniformity among Spectrum's multiple franchises in the state of Hawaii . . . likely due to differing operating and reporting procedures of entities that previously owned and/or managed various franchises that are now commonly under Spectrum's management."¹ According to Spectrum, the modifications requested would assist in making Spectrum's reports more consistent across all of its franchises throughout the State of Hawaii ("**State**"), address technological changes, and reduce duplicative or unnecessary information.

¹ Proposal Letter at 1.

After various inquiries by DCCA through follow up emails and a number of discussions with Spectrum representatives as well as supplemental proposal submissions by Spectrum on October 6, 2020 and February 9, 2021 (“**Supplemental Letter**” and “**2nd Supplemental Letter**”, respectively), the Director, through the terms of applicable D&Os and authority under HRS § 440G-14,² has determined that the reporting modifications as discussed herein would be appropriate. As such, the terms of applicable D&Os, Orders and Letter Orders relating to these reports are amended to reflect the terms and requirements set forth below.

I. MONTHLY REPORTING:

A. Monthly Call Center Performance Report.

Pursuant to D&O No. 174 (Lahaina) issued on October 2, 1995, D&O No. 241 (Maui County, excluding Lahaina) issued on May 10, 1999, D&O No. 291 (Kauai) issued on July 12, 2002, D&O No. 346 (Oahu) issued on January 14, 2010 and D&O No. 368 (Hawaii Island) issued on March 15, 2016, Spectrum is required to submit monthly call center performance reports to DCCA with varying reporting obligations. To make the information and format of these reports consistent across the franchises, the monthly call center performance report submitted by Spectrum shall, as of the date of this Letter Order, include by franchise, the following eight (8) reporting categories:

- Total Calls Received;
- Total Calls Answered by IVR;³
- Average Time It Takes an Operator to Answer a Subscriber Call;
- Number of Calls Answered by an Operator Within 30 Seconds of a Connection Being Made;
- Percent Answered Under 30 Seconds;
- Percent Answered Under 30 Seconds Including IVR;
- Percent of Transferred Calls Where the Transfer Time Exceeds 30 Seconds; and
- Number of Calls Abandoned.

All applicable D&Os provisions and prior Letter Orders relating to the monthly call center performance reports are hereby amended to reflect the monthly call center performance reporting categories contained in this Section and in the format set forth in Exhibit A of the Proposal Letter.

² HRS § 440G-14 provides that “[e]ach cable operator shall file with the director reports of its financial, technical, and operational condition and its ownership. The reports shall be made in a form and on the time schedule prescribed by the director.” (emphasis added.)

³ IVR refers to Spectrum’s “Interactive Voice Response” system.

B. Monthly Federal Customer Service Standards Report - Installation Metrics Report.

Under Section IV.Q.2. of D&O No. 368,⁴ Spectrum is required to provide to DCCA a monthly federal customer service standards report which includes installation metrics information. In reevaluating the format of its installation metrics report, Spectrum proposed a revised report “designed to track the core installation customer service obligations identified in the FCC Customer Service Standards.”⁵ DCCA approves Spectrum’s proposed revisions to the installation metrics report which shall include the following reporting categories:

- Total completed video installations;
- Percent of video installations completed within seven (7) days;
- Number of completed video trouble calls; and
- Percentage of video trouble calls completed within twenty-four (24) hours.

The revised installation metrics report will continue to be provided on a statewide basis with the information separated by franchise area and in a format as provided in the Proposal Letter, Exhibit A.

C. Monthly Construction Report.

Under HAR § 16-131-45, cable operators are required to provide to DCCA a status report on its current construction. Spectrum’s requested modifications on its monthly construction report is “to advance a uniform tracking methodology for this report across all franchise areas”⁶ and is designed to provide, by franchise on a combined report, monthly data on new plant miles, inclusive of underground and aerial plant for all residential and small business customers.

DCCA approves the requested modifications to Spectrum’s monthly construction report as set forth in Exhibit A of the Supplemental Letter. As authorized by the HRS and HAR, Spectrum shall provide any additional available construction project data for particular islands upon request by the Director.

⁴ D&O No. 368 section IV.Q.2. states “OTWC shall meet the federal cable television customer service standards set forth in applicable Law, including but not limited to 47 CFR §§ 76.1602 and 76.309, as amended. Consistent with and in addition to the call center performance measurements of customer service performance discussed below (i.e., Section IV.Q.4.d. of this D&O), OTWC shall provide a report on each of the federal customer service standards on the fifteenth (15th) day of each month. OTWC shall work cooperatively with the Director and the Director’s staff to develop the reporting format.” D&O No. 368 at 51.

⁵ Supplemental Letter at 2.

⁶ Supplemental Letter at 3.

D. Monthly Service Disruption Report.

Pursuant to HAR § 16-131-49, cable operators shall submit a monthly report to the Director on all major system faults. To better comply with the requirements detailed in the HAR and for consistency across franchises, as of the date of this Letter Order, Spectrum's monthly Service Interruption Report shall include, by franchise area, the following categories:

- the nature of the interruption;
- the length of the interruption;
- the total number of customers affected; and
- corrective actions taken, if any.

The report for each franchise area shall be submitted in the format as set forth in Exhibit C of the Proposal Letter.

II. QUARTERLY REPORTING:

Pursuant to HAR § 16-131-50, cable operators are required to file, on a quarterly basis, a number of reports to DCCA. This includes: subscriber activity; revenues, expenses, assets, liabilities, and equity accounts; cable operator personnel; services/programming provided by the cable operator; quality of service of the cable system; report of service interruptions; system testing; and construction activity.

Historically, the quarterly reporting format has differed across the State cable franchises with reports for certain franchises providing categories of information not provided in other franchises. Spectrum's proposed modifications to its quarterly reports seeks to standardize the data submissions across the franchise areas to facilitate data comparison across the State and by franchise area. In the revised quarterly reports, the data provided would more closely adhere to the requirements of HAR § 16-131-50 and be compiled and reported by franchise area and submitted in one report.

A. Quarterly Subscriber Activity Report.

HAR § 16-131-50(1) requires a cable operator to provide quarterly reporting on subscriber activity. DCCA accepts Spectrum's proposed revised quarterly subscriber activity report as provided in Exhibit B of the Supplemental Letter which provides subscriber information by franchise area. In addition, DCCA approves Spectrum's request that its revised quarterly subscriber activity reports replace the existing monthly subscriber activity reports as filing on a quarterly basis would enable reporting of the most up-to-date subscriber activity information aligned with Spectrum's end of quarter

financial reporting. According to Spectrum, a consolidated subscriber activity report filed each quarter would improve its administrative efficiency while still providing DCCA with the subscriber data requested.

B. Quarterly Financial Report/Financial Statements.

HAR § 16-131-50(2) requires a cable operator to provide quarterly reporting on its revenues, expenses, assets, liabilities, and equity accounts. Pursuant to a Letter Order dated April 27, 2018 (“**April 27, 2018 Letter Order**”), DCCA determined that Spectrum’s required filing of its financial data under this section could be satisfied through submission of its parent company’s consolidated quarterly financial information as filed with the Security and Exchange Commission. DCCA reconfirms its determination made in the April 27, 2018 Letter Order.

C. Quarterly Cable Operations Personnel Report.

In satisfaction of HAR § 16-131-50(3) relating to cable operator personnel, DCCA approves Spectrum’s request and shall file with DCCA its quarterly cable operations personnel report with the following categories:

- Customer Operations Personnel (including Field Operations and Network Operators);
- Sales and Marketing Personnel; and
- Other Personnel.

Spectrum proposes to reduce the number of business units reported into these three (3) categories in order to “more easily identify customer-facing employees, as well as operational and corporate personnel in Hawaii.”⁷ These changes will ease the reporting burdens which previously consisted of nine (9) different categories and make it more in-line with Spectrum’s internal tracking and reporting processes while still providing pertinent personnel information.⁸

D. Quarterly Services/Programming Report.

To satisfy the required quarterly services/programming report requirements under HAR § 16-131-50(4), Spectrum shall file with DCCA a printout of its current channel line-up and rate cards at the time the reports are due as well as provide a website link to this information for electronic access.

⁷ Proposal Letter at 10.

⁸ Spectrum states that “while reporting in the current fashion may have made more sense when Spectrum and its predecessor operated distinct systems with local area general managers that oversaw all operations in a franchise area, today the company’s management is far more centralized within the State.” Proposal Letter at 10.

E. Quarterly Quality of Service Report.

HAR § 16-131-50(5) requires that cable providers file a quarterly quality service report while the various cable franchise D&Os also requires that Spectrum file monthly call center performance reports. To reduce redundancy and duplicative reporting, Spectrum may satisfy this quarterly reporting requirement by incorporating by reference the previously filed applicable monthly reports, as modified through this Letter Order in Section I.A. above, in the format provided in Exhibit A of the Proposal Letter.

F. Quarterly Service Interruptions Report.

HAR § 16-131-50(6) requires that cable providers file a quarterly service interruptions report. As this report is also required to be filed on a monthly basis, to reduce redundancy and duplicative reporting, Spectrum may satisfy this quarterly reporting requirement by incorporating by reference the previously filed applicable monthly reports.

G. Quarterly System Testing Report.

HAR § 16-131-50(7) requires that cable providers file a quarterly system testing report. However, with the improvement of technology and the widespread implementation of digital systems, the needed cable television system testing as previously required appears to have changed. Therefore, to adjust to these changes, Spectrum may file its system leakage report based on “proactive signal leakage monitoring data that identifies the date and time of the detected leakage, the latitude and longitude of the facility, and the date of testing of the specific leakage event[.]”⁹ in satisfaction of this reporting requirement. This report shall be submitted in a similar format as set forth in Spectrum’s Supplemental Letter, Attachment C. In addition, consistent with 47 CFR § 76.601(d), which states that a cable television system operator complying with the monitoring, logging and the leakage repair requirements of § 76.614, shall be considered to have met the federal performance testing requirements of 47 CFR § 76.601, Spectrum shall retain its leakage log for five (5) years rather than the two (2) years prescribed in § 76.1706.¹⁰

H. Quarterly Construction Activity Report.

HAR § 16-131-50(8) requires that cable providers file a quarterly construction activity report. As Spectrum is also required to file a monthly construction report, to reduce redundancy and duplicative reporting, Spectrum may satisfy this quarterly reporting requirement by incorporating by reference the previously filed applicable monthly reports.

⁹ 2nd Supplemental Letter at 6; see also Supplemental Letter at 7 and Attachment C.

¹⁰ See 47 CFR § 76.601(d).

I. Quarterly Franchise Fee Cash Flow Analysis Worksheet.

The cable franchise for the island of Kauai, D&O No. 291, Section IV.K., requires Spectrum to file a quarterly franchise fee cash flow analysis worksheet. By a Letter Order dated November 24, 2010, DCCA determined that this requirement could be satisfied through submission of Spectrum's parent company's consolidated quarterly financial information as filed with the Security and Exchange Commission. DCCA reconfirms its determination made in its November 24, 2010 Letter Order.

J. Quarterly Construction Progress and Delay Report for Unserved Areas.

Due to public inquiries about potential service to certain unserved areas in the State, in 2018, DCCA requested that Spectrum provide a quarterly construction progress and delay report for areas of potential service expansion. However, as construction and expansion of cable networks is not a constant process, DCCA shall require information about construction progress and delays for unserved areas be submitted upon request by the Director or the Director's designee.

III. TARIFF SUBMISSION

HAR § 16-131-25 requires cable operators to file with DCCA original paper tariffs with specific formatting parameters. However, DCCA recognizes that the purpose of tariff submissions has evolved as a result of regulatory changes and the increasing use of digital technology. As such, to streamline the filing of tariffs, in lieu of filing original paper tariffs, Spectrum may submit to DCCA its tariffs, and any amendments thereto, in electronic PDF format as provided in 2nd Supplemental Letter, Attachment 2. Although paper originals shall no longer be required, the PDF of Spectrum's tariffs must still satisfy all other parameters and requirements set forth under HAR § 16-131-25.

IV. CONCLUSION

Based on the foregoing, DCCA finds it reasonable and in the public interest to grant the modifications to Spectrum's reporting requirements as set forth herein. The approved modifications will increase the ease of administrative and regulatory reviews by providing consistent reporting across all of Spectrum's franchises throughout the State, address changes to technology, and reduce duplicative or unnecessary information. Except as otherwise provided in this Letter Order, the remaining provisions of all D&Os, Orders, Letter Orders and other directives that have been issued periodically to address specific reporting needs and requirements shall continue to remain in full force and effect. At the Director's sole discretion, the Director may, at any time, require from Spectrum additional information or further modifications to Spectrum's monthly and quarterly reports after further review.

Gregg Fujimoto
March 12, 2021
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If you have any questions on the above, please do not hesitate to contact Ji Sook "Lisa" Kim, Cable Television Administrator, at (808) 586-2620.

Sincerely,

A handwritten signature in black ink, reading "Catherine P. Awakuni Colón". The signature is written in a cursive, flowing style.

CATHERINE P. AWAKUNI COLÓN
Director

c: Felipe Monroing, Charter Communications, via e-mail only
Carlito P. Caliboso, Esq., via e-mail only