

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

August 5, 2024

VIA EMAIL & U.S. MAIL

Mr. Steven P. Golden
steven.golden@hawaiiantel.com
Vice President, External Affairs
Hawaiian Telcom
1177 Bishop Street
Honolulu, HI 96813

Re: Letter Order – Hawaiian Telcom Services Company, Inc.
Franchise Fees Paid by the Cable Operator – Island of Kaua'i,
County of Hawai'i, and County of Maui Cable Franchises

Dear Mr. Golden:

On July 26, 2024, the Department of Commerce and Consumer Affairs (“**DCCA**”) issued Decision and Order (“**D&O**”) Nos. 383, 384, and 385, which granted Hawaiian Telcom Services Company, Inc. (“**HTSC**”) cable franchises for the Island of Kaua'i, County of Hawai'i, and County of Maui, respectively. Pursuant to D&O Nos. 383, 384, and 385, DCCA is entitled to Franchise Fees that in total do not exceed five percent (5%) of HTSC's cable systems annual gross revenues paid in a calendar year, or the maximum amount permitted under applicable law.

Accordingly, the Director of DCCA (“**Director**”) hereby orders and directs that for each of its cable franchises for the Island of Kaua'i, County of Hawai'i, and County of Maui, HTSC shall collect franchise fees in the amount equal to five percent (5%) of HTSC's annual gross revenues for its corresponding cable systems to be distributed as follows: (1) three percent (3%) as annual Access Operating Fees to the public, educational, and governmental access organization in the franchise area; (2) one percent (1%) to the Hawai'i Public Television Foundation, dba PBS Hawai'i; and

Mr. Steven P. Golden

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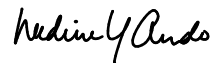
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(3) one percent (1%) in Annual Fees¹ to the DCCA, based on the percentage of annual income received from subscribers for cable services rendered during the preceding calendar year that is equivalent to one percent (1%) of the Gross Revenues during that period, to administer Hawai'i Revised Statutes chapter 440G and for any other purposes determined by the Director.

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 needs and requirements shall continue to remain in full force and effect.

If you have any questions on the above, please contact Randy M. Leong, Cable Television Administrator, at (808) 586-2620. Thank you for your cooperation and assistance in this matter.

Sincerely,



Nadine Y. Ando
Director

¹ Under Hawai'i Administrative Rules ("HAR") § 16-132-2(d), "income received from subscribers for cable services" means revenues derived from the supplying of regular subscriber service and includes installation fees, disconnect and reconnect fees, and fees for regular cable benefits." The term does not include per-program or per-channel charges, leased channel revenues, advertising revenues and other income derived from the Cable System.