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March 19, 2025

Steven P. Golden
Vice President, External Affairs
Hawaiian Telcom Services Company, Inc.
1177 Bishop Street, Suite 17
Honolulu, Hawaii 96813

Via U.S. Mail & E-Mail

Re: Letter Order – HTSC Modifications to Monthly and Quarterly Reporting

Dear Mr. Golden:

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 February 12, 2025, Hawaiian Telcom Services, Inc. ("**HTSC**") submitted a letter to DCCA requesting certain modifications to its required monthly, quarterly and annual reports ("**Proposal Letter**").¹ HTSC noted that "the modifications requested would assist in making HTSC's reports more consistent across all of its franchises throughout the State of Hawaii, address technological changes and reduce duplicative information."²

¹ On February 18, 2025, HTSC submitted a letter to DCCA amending the Proposal Letter by withdrawing its request to modify its quarterly reports on Cable Operator Personnel.

² Proposal Letter at 1.

The Director, through the terms of applicable D&Os and authority under the HRS, 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. REPORTING MODIFICATIONS

A. Construction Activity Reports.

Pursuant to HAR §§ 16-131-45 and 16-131-50, HTSC is required to submit to DCCA monthly, quarterly and annual construction activity reports. As this entails duplicative filings and information, HTSC shall continue to submit monthly reports and file its quarterly construction activity results in an annual report by March 31st of each year for the previous year's activities. The monthly and annual reports shall include HTSC's construction activity by franchise area.

All applicable provisions from D&Os and prior Letter Orders relating to the construction activity reports are hereby amended to reflect the adjustments contained in this Section. As authorized by the HRS and HAR, HTSC shall provide any additional available construction project data for particular islands upon request by the Director.

B. System Testing Reports.

Pursuant to HAR §§ 16-131-47 and 16-131-50, HTSC currently files with DCCA annual and quarterly reports consisting of a compilation of test results for each channel in its channel lineup. HTSC "contends that filing a summary of the testing results instead of the voluminous, detailed testing results should be sufficient for the Director to monitor HTSC's testing results."³

DCCA approves HTSC's proposed revisions and all applicable provisions from D&Os and prior Letter Orders relating to reports on testing are hereby amended to reflect the adjustments contained in this Section and shall be submitted by HTSC in a form acceptable to the Director.

C. Call Center Service Performance Reports.

Under HTSC's Oahu franchise issued in 2011, D&O No. 352, Section IV.R.4.d, HTSC is required to file monthly call center performance reports related to call handling

³ Proposal Letter at 2.

and busy calls.⁴ In the Proposal Letter, HTSC states that with the changes to customer support through its Interactive Voice Response (“**IVR**”) system, busy signals are only received in the unlikely event of a network system outage that prevents all callers from reaching HTSC’s contact center. As such, “for many years, the metric results for the number and percentage of busy signals received by callers are consistently zero. The busy signal metrics are no longer a relevant metric for automated call routing features provided by an IVR and are burdensome for the Company to provide.”⁵ As such, HTSC requests that the call center service performance report remove the requirement to provide metrics on busy signals and that the report be submitted annually.

DCCA approves HTSC’s request to remove the metrics relating to busy signals (calls receiving busy signal and percentage of calls receiving busy signal) in its call center performance report which shall be filed annually by March 31st of each year for the previous year. DCCA shall require HTSC to include the following reporting categories in the annual report:

- Total calls received;
- Average answer time by live agents (seconds);
- Number of calls abandoned
- Percentage of calls answered within thirty (30) seconds; and
- Percentage of calls that are transferred to a HTSC employee or representative in which the transfer time exceeds thirty (30) seconds.

All applicable provisions from D&Os and prior Letter Orders relating to the monthly call center performance reports are hereby amended to reflect the call center performance reporting categories contained in this Section and shall be submitted by HTSC in a form acceptable to the Director.

D. Service Interruption Reports.

Pursuant to HAR §§ 16-131-49 and 16-131-50, cable operators shall submit monthly and quarterly reports to the Director on all major system faults. To eliminate duplicative filings and information as well as provide the Director with a more concise and consolidated overview of the service interruptions across all franchise areas, as of

⁴ D&O No. 352 section IV.R.2.d. states “[i]n order to monitor HTSC's customer service, HTSC shall submit to the Director on the fifteenth (15th) day of each month a customer service performance report detailing HTSC's customer service performance . . .” (D&O No. 352 at 51) including the number and percentage of busy signals received by callers.

⁵ Proposal Letter at 2.

the date of this Letter Order, HTSC shall file quarterly service interruption reports broken down by month. However, in the event of a reportable service interruption, HTSC shall file with DCCA on or before the fifteenth (15th) day of the following month, a report as detailed below.

Service Interruption Reports shall be submitted by HTSC in a form acceptable to the Director and include the following categories:

- The area(s) affected;
- The nature of the interruption;
- The length of the interruption;
- The total number of customers affected; and
- Corrective actions taken, if any.

E. Revenues, Expenses, Assets, Liability and Equity Report.

Pursuant to HAR § 16-131-50(2), cable operators shall submit quarterly reports on its revenues, expenses, assets, liabilities and equity accounts. According to HTSC, it “prepares these quarterly financial reports specifically to satisfy this requirement, and these reports are not used for any other business purpose.”⁶ To relieve this administrative burden, HTSC proposes to submit its parent company’s consolidated quarterly financial information as filed with the Security and Exchange Commission (“SEC”).

Consistent with prior decisions⁷, DCCA approves HTSC’s request. HTSC may submit its parent company’s consolidated quarterly financial information as filed with the SEC so long as the financial statements are prepared in accordance with generally accepted accounting principles, consistently applied. Such filings shall be submitted to DCCA within ten (10) days of public release of the results (i.e., within ten (10) days of its filing with the SEC). HTSC and its parent company shall also continue to fully cooperate with DCCA, DCCA staff, and its consultants and provide all requested information during any HTSC financial reviews and verifications.

II. CONCLUSION

Based on the foregoing, DCCA finds it reasonable and in the public interest to grant the modifications to HTSC’s reporting requirements as set forth herein. The

⁶ Proposal Letter at 3.

⁷ See Letter Order dated April 27, 2018.

Mr. Steven Golden

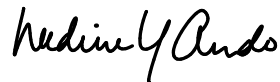
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approved modifications will increase the ease of administrative and regulatory reviews by providing consistent reporting across all of HTSC's franchises throughout the State, address changes to technology, and reduce duplicative or unnecessary information. 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 HTSC additional information or further modifications to HTSC's monthly, quarterly and annual reports after further review.

If you have any questions on the above, please do not hesitate to contact Randy M. Leong, Cable Television Administrator, at (808) 586-2620.

Sincerely,

A handwritten signature in black ink, reading "Nadine Y. Ando". The signature is written in a cursive, flowing style.

Nadine Y. Ando
Director