

February 17, 2012

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RE: Time Warner Cable's Petition for Special Relief (CSR-8563-E)

Dear Ms. Dortch:

The State of Hawaii (the "State"), by its attorneys, provides this letter in order to correct the record regarding a claim made by Time Warner Cable Inc. ("Time Warner Cable") in its Reply that was submitted to the Federal Communications Commission ("Commission") on January 30, 2012. Pursuant to Section 76.7(d) of the Commission's rules, the State requests that the Commission accept this filing due to the extraordinary circumstances of Time Warner Cable raising a new argument in its Reply that is contrary to the facts.¹

The State was surprised by Time Warner Cable's contention in its Reply that it has lowered prices on the Island of Oahu in response to competition. Time Warner Cable stated, "Competition in Oahu has induced Time Warner Cable's system there to innovate and to lower prices."² It further stated, "Time Warner Cable is offering significant bundled discounts and other promotional offerings."³

Time Warner Cable is actually increasing its rates in Hawaii. It recently notified customers of a rate change under which prices for certain services will increase effective March 1, 2012. As noted on the attached bill from Time Warner Cable, "Standard Service Primary Outlet" will increase from \$54.80 to \$59.80 per month (a 9 percent increase), "Sports Pass" will increase from \$4.95 to \$5.95 per month (a 20 percent increase), "Digital Variety Pak" and

¹ 47 C.F.R. 76.905.

² Time Warner Cable Inc., Reply at 13 (filed Jan. 30, 2012).

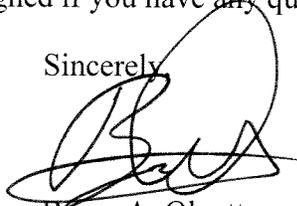
³ *Id.* at 14.

“Movie Pass” each will increase from \$13.50 to \$14.50 per month (a 7 percent increase), and “Music Choice” will increase from \$26.25 to \$27.25 per month (a 4 percent increase). These price increases are occurring despite the presence of Hawaiian Telcom’s recently launched cable service. It is disingenuous for Time Warner Cable to tell the Commission that competition has caused it to lower prices at the same time that it is announcing to its customers that prices will increase.

Given the inaccurate claim regarding prices for its cable services in Hawaii, the State questions the accuracy of Time Warner Cable’s other statements arguing that effective competition is present on Oahu. The State therefore continues to urge the Media Bureau to deny Time Warner Cable’s Petition for Special Relief.

Please contact the undersigned if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce A. Olcott", written over a large, stylized circular flourish.

Bruce A. Olcott
Counsel to The State of Hawaii

Attachments

CERTIFICATE OF SERVICE

I, Liz Ramos, an Executive Legal Secretary at Squire Sanders (US) LLP, hereby certify that, unless indicated otherwise below, copies of the foregoing Letter were served this 17th day of February, 2012, via first-class mail, postage prepaid thereon to the following:

William Lake, Esq.*
Chief, Media Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Steven Broeckaert, Esq.*
Senior Deputy Chief, Policy Division, Media Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

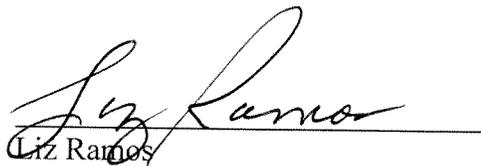
John Berresford, Esq.*
Media Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Craig Gilley, Esq.
Edwards Wildman Palmer LLP
1255 23rd Street NW, Suite 800
Washington, D.C. 20037
Counsel to Time Warner Cable

Francis Mukai
Vice President and Associate General Counsel
Hawaiian Telcom
1177 Bishop Street, 17th Floor
Honolulu, HI 96813

Gregory J. Vogt, Esq.
Law Offices of Gregory J. Vogt, PLLC
2121 Eisenhower Ave., Suite 200
Alexandria, Virginia 22314
Counsel to Hawaiian Telcom

* Sent via email


Liz Ramos

Account [REDACTED]
 Statement Date: 01/07/2012

DATE DUE	AMOUNT DUE
02/02/2012	113.92

DCCA [REDACTED]

**Go Paperless! Sign up for
 Paperless Monthly Statements & PayXpress
 at www.myaccount.oceanic.com**

Summary

Customer Code: [REDACTED]

Last Statement Balance	\$227.84
Payment(s)	-\$227.84
Remaining Balance	\$0.00
<u>Monthly Charge</u>	<u>113.92</u>
<small>Price Fee & Tax Subtotal</small>	<small>103.92 + 10.00 = 113.92</small>
Current Monthly Balance	\$113.92
Total Amount Due	\$113.92

IMPORTANT INFORMATION
Rate Change

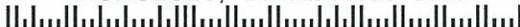
Effective March 1, 2012, customers across Hawaii will notice changes in the cost of some Oceanic services as follows: Standard Service Primary Outlet will increase from \$54.80/mo. to \$59.80/mo; Primary addressable cable box with remote will decrease from \$7.12 to \$6.82/mo; Cable card will decrease from \$2.50/mo. to \$2.00/mo; Sports Pass will increase from \$4.95/mo. to \$5.95/mo; Digital Variety Pak and Movie Pass each will increase from \$13.50/mo. to \$14.50/mo. and together the Digital Cable Package is now \$18.00; Music Choice will increase from \$26.25/mo. to \$27.25/mo. Other digital prices remain the same. Programming providers are charging us more to deliver the entertainment our customers love. We continue to invest in infrastructure, our network--and most importantly--innovation, so we can keep providing the best in entertainment.

We thank you for your continued patronage.


 200 Akamainui Street
 Mililani, Hawaii 96789
 Telephone (808) 643-2100
ADDRESS SERVICE REQUESTED

[REDACTED]	NBC 000002233489
MSG8602	02010130
ACCOUNT	DATE DUE
[REDACTED]	02/02/2012
AMOUNT PAID	AMOUNT DUE
[REDACTED]	113.92

PLEASE MAKE CHECK PAYABLE TO:

OCEANIC TIME WARNER CABLE
 P.O. BOX 30050
 HONOLULU, HAWAII 96820-0050


00154468601100011392000113920

#BWNJKPQ



DCCA

 335 MERCHANT ST APT. 101
 HONOLULU, HI 96813-2921