

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

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DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

In the Matter of the Application of)
)
CONSOLIDATED COMMUNICATIONS)
OPERATOR SERVICES, INC.)
)
For a Certificate of Authority to)
Offer, Initiate, and Provide)
Operator Services Pursuant to)
Hawaii Administrative Rules)
Title 6, Chapter 79, Subchapter 2.)
_____)

DOCKET NO. 03-0022

DECISION AND ORDER NO. 20177

Filed May 8, 2003
At 11:00 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

K. Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

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CONSOLIDATED COMMUNICATIONS) Docket No. 03-0022
OPERATOR SERVICES, INC.)
) Decision and Order No. 20177
For a Certificate of Authority to)
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Title 6, Chapter 79, Subchapter 2.)
_____)

DECISION AND ORDER

I.

By an application filed on January 31, 2003, CONSOLIDATED COMMUNICATIONS OPERATOR SERVICES, INC. (Applicant) requests that the commission grant it a certificate of authority (COA) to offer, initiate, and provide operator services in the State of Hawaii (State) in accordance with Hawaii Administrative Rules (HAR) Title 6, Chapter 79, Subchapter 2.

Copies of the application were served on the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy (Consumer Advocate). By statement of position filed on March 18, 2003, the Consumer Advocate informs the commission that it does not object to approval of the application, provided that certain tariff concerns are addressed.

II.

Applicant is a Delaware corporation, authorized to conduct business in the State as a foreign corporation. It was

incorporated on August 5, 2002, and is a wholly-owned subsidiary of Consolidated Communications, Inc., which is a wholly-owned subsidiary of Consolidated Holdings, Inc. In turn, Consolidated Holdings, Inc. is a wholly-owned subsidiary of Homebase Acquisition, L.L.C.

In Hawaii, Applicant intends to provide live and automated long distance assistance and directory assistance services, and services for coin less and coin-operated public telephones. Applicant informs us that it will utilize the transmission facilities of McLeodUSA Telecommunications, Inc. and other certificated telecommunications carriers, where necessary, and connect with local exchange carriers using switch access, where applicable.

III.

HAR Chapter 6-79, Subchapter 2 sets forth the requirements that telecommunications carriers must fulfill to provide operator services in Hawaii. Specifically, among other things, HAR § 6-79-13 requires any telecommunications carrier intending to offer, initiate, or provide operator services in the State to first apply for a COA in accordance with HAR Chapter 6-80, Subchapter 2. HAR § 6-79-13 also specifies that the provisions of HAR Chapter 6-80, Subchapter 2, govern the issuance or denial of a COA authorizing operator services.

Upon review of the application, the commission makes the following findings pursuant to HAR § 6-80-18(a):

1. Applicant possesses sufficient technical, financial, and managerial resources and abilities to provide the proposed services;

2. Applicant is fit, willing, and able to properly perform the telecommunications services proposed and to conform to the terms, conditions, and rules prescribed or adopted by the commission; and

3. Applicant's proposed telecommunications services are in the public interest.

Accordingly, the commission concludes that Applicant should be granted a COA to offer, initiate, and provide operator services in Hawaii. Furthermore, based on our review of the record including, but not limited to, Applicant's proposed tariff and the Consumer Advocate's concerns, we also conclude that Applicant should make the following revisions to its proposed tariff.

1. Section 2.5 (Refunds or Credits for Service Outages or Deficiencies; original sheet 14) should be amended to include language of HAR § 6-80-103(b). This subsection states, "[i]f service is interrupted by a natural or other disaster beyond the control of the telecommunications carrier, the carrier shall make adjustments and refunds to its affected customers if service is not restored within forty-eight hours."
2. Section 2.9.5 (Refusal or Discontinuance by the Company; original sheet 17) should be amended to state that service may be refused or discontinued for non-payment of a past due bill not in dispute, in accordance with HAR 6-80-106 (b)(1).
3. Section 2.15 (Customer Complaints and/or Billing Disputes; original sheet 21) should be amended by providing customers with a toll-free number to make trouble reports twenty-four hours a day, and

all other complaints during normal business hours, pursuant to HAR 6-80-107(1).

4. Section 3.6.6 (Directory Assistance Call Completion; original sheet 38) states that the per call charge for directory assistance call completion is \$0.00. For clarity, this section should be amended by replacing "\$0.00" with "applicable rate plan usage rate".

IV.

THE COMMISSION ORDERS:

1. Applicant is granted a COA to offer, initiate, and provide operator services in the State.

2. As a holder of a COA, Applicant shall be subject to all applicable provisions of HRS Chapter 269, HAR Chapters 6-79, 6-80, and 6-81, any other applicable State laws and commission rules, and any orders the commission may issue from time to time.

3. Applicant shall file tariffs in accordance with HAR §§ 6-80-39 and 6-80-40. Applicant shall ensure that the appropriate effective date is reflected in its tariff. In the event of a conflict between any provision of a tariff and State law, State law shall prevail.

4. Applicant shall conform its proposed tariff to the provisions of HAR Chapter 6-80 by, among other things, incorporating the tariff revisions set forth in section III of this decision and order. An original and eight copies of the tariff shall be filed with the commission, and two copies of the same shall be served on the Consumer Advocate.

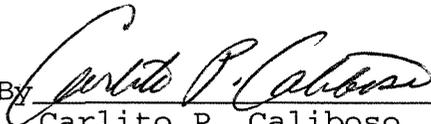
5. Within 30 days of the date of this decision and order, Applicant shall pay a public utility fee of \$60, pursuant

to HRS § 269-30. All checks shall be made payable to the Hawaii Public Utilities Commission and sent to 465 South King Street, Room No. 103, Honolulu, Hawaii, 96813.

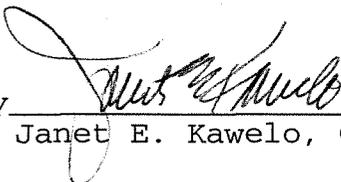
6. In accordance with HAR §§ 6-79-13 and 6-80-39, Applicant shall not offer, initiate, or provide any operator services within the State, until it complies with the requirements set forth in this decision and order.

DONE at Honolulu, Hawaii this 8th day of May, 2003.

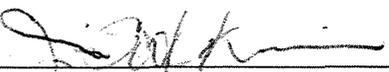
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Ji Sook Kim
Commission Counsel

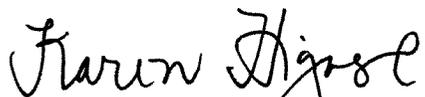
03-0022.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 20177 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

SUSAN MONTAGUE
CONSOLIDATED COMMUNICATIONS OPERATOR SERVICES, INC.
121 South 17th Street
Mattoon, IL 61938



Karen Higashi

DATED: May 8, 2003