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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
MOSCO, INC.)
For Approval of Rate Increases)
and Revised Rate Schedules.)
_____)

DOCKET NO. 03-0400

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

2003 DEC 18 P 3:49

RECEIVED

ORDER NO. 20718

Filed Dec. 18, 2003
At 2:30 o'clock P.M.
Karun Dignel
Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
MOSCO, INC.)
For Approval of Rate Increases)
and Revised Rate Schedules.)
_____)

Docket No. 03-0400
Order No. 20718

ORDER

I.

Background

MOSCO, Inc. is a public utility that provides wastewater service (aka sewer service) in its service area of Kaluakoi, island of Molokai.

MOSCO, Inc. requests: (1) the commission's approval to increase its rates and revise its rate schedules, pursuant to Hawaii Revised Statutes ("HRS") § 269-16; (2) the commission's approval to submit unaudited financial statements for the fiscal year ended June 30, 2003, in lieu of the audited financial information required by Hawaii Administrative Rules ("HAR") § 6-61-75(b)(1); and (3) the commission hold a public hearing on the application, as mandated by HRS §§ 269-12(c) and 269-16(c).¹ MOSCO, Inc. utilizes a 2004 calendar test year.

¹See MOSCO, Inc.'s application, filed on November 25, 2003. MOSCO, Inc. files its application in accordance with HRS §§ 269-12, 269-16, and HAR § 6-61-88.

MOSCO, Inc. served copies of its application upon the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate"). On December 12, 2003, the Consumer Advocate timely filed its statement on the completeness of MOSCO, Inc.'s application, pursuant to HRS § 269-16(d). MOSCO, Inc., by letter dated December 15, 2003, responded to the Consumer Advocate's statement.

II.

Discussion

A.

MOSCO, Inc. states that it "does not currently have audited financial information covering its operations . . . because [it] is currently operating at a net loss with annual gross revenues of less than \$100,000[.]" Thus, it represents that "it would be unduly burdensome and time consuming, and would impose a financial hardship" to prepare audited financial information "for the purpose of strictly complying with the requirements of HAR § 6-61-75(b)(1) in order to deem [its] application complete."

MOSCO, Inc. seeks permission to submit its unaudited financial statements in lieu of the audited balance sheet required by HAR § 6-61-75(b)(1). It makes its request pursuant to HRS § 269-16(f).

The Consumer Advocate does not object to MOSCO, Inc.'s request, provided that MOSCO, Inc. "make available for review all documentation supporting [MOSCO, Inc.'s] financial statements,

including all books and records." The application will be deemed complete, the Consumer Advocate concludes, once MOSCO, Inc. agrees to make available all books and records supporting its financial statements. MOSCO, Inc. responds that "for the purposes of deeming the application complete, MOSCO [Inc.] hereby states that it agrees to make available for review all documentation supporting its financial statements, including all books and records."

MOSCO, Inc.'s unaudited financial statements are set forth in Exhibit 2, Schedules 6 and 7, of its application. The commission finds good cause to approve MOSCO, Inc.'s request. Consistent with the parties' agreement, the filing date of MOSCO, Inc.'s complete application is December 15, 2003, the date of MOSCO, Inc.'s response.

B.

The commission will hold a public hearing on MOSCO, Inc.'s application, on the island of Molokai. The parties will be notified of the date, time, and location of the public hearing. In the meantime, the parties are directed to: (1) commence the discovery process forthwith; and (2) submit a stipulated prehearing order for the commission's consideration.²

²If intervention or participant status is granted to any interested person, the commission intends to incorporate such party's respective deadline dates into the prehearing order it ultimately approves.

III.

Orders

THE COMMISSION ORDERS:


1. MOSCO, Inc.'s request to submit its unaudited financial statements for the fiscal year ended June 30, 2003, in lieu of the audited balance sheet required by HAR § 6-61-75(b)(1), is approved. MOSCO, Inc. shall make available for the Consumer Advocate's review all documentation supporting its financial statements, including all books and records.

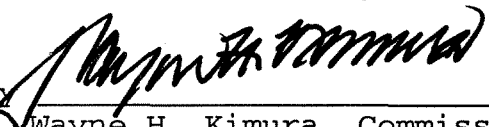
2. Consistent with HRS § 269-16(d), the filing date of MOSCO, Inc.'s complete application is December 15, 2003.

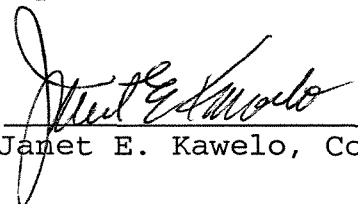
3. Unless ordered otherwise, within ten (10) days following the conclusion of the public hearing, MOSCO, Inc. and the Consumer Advocate shall submit to the commission a stipulated prehearing order, incorporating the issues and procedural schedule with respect to this proceeding. If unable to stipulate to such an order, each party shall submit a proposed prehearing order for the commission's consideration by the same date.

DONE at Honolulu, Hawaii this 18th day of December,
2003.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel
03-0400.ac

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20718 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
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Karen Higashi

DATED: December 18, 2003