



BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of)  
VERIZON HAWAII INC. ) Docket No. 04-0029  
For Approval of the Operator ) Decision and Order No. 20896  
Services Agreement of TIME )  
WARNER TELECOM OF HAWAII, L.P. )  

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DECISION AND ORDER

I.

Introduction

VERIZON HAWAII INC. ("Verizon Hawaii") requests commission approval of the Operator Services Agreement between the Verizon Operating Companies, which includes Verizon Hawaii, and TIME WARNER TELECOM OF HAWAII, L.P. ("Time Warner Hawaii") and its affiliates ("OS Agreement").<sup>1</sup> Verizon Hawaii filed its request under Hawaii Administrative Rules ("HAR") § 6-80-54 and Decision and Order No. 19018 in Docket No. 7702 (November 15, 2001) in a petition filed on February 2, 2004.

Verizon Hawaii served the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate") with copies of the petition and the

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<sup>1</sup>The OS Agreement was entered into between the Verizon Operating Companies and a host of Time Warner Telecom affiliates, including Time Warner Telecom-NY, L.P.; Time Warner Telecom of New Jersey, L.P.; Time Warner Telecom of Florida, L.P.; and Time Warner Hawaii ("Time Warner Affiliates"). Our review of the OS Agreement will only be in light of Verizon Hawaii and Time Warner Hawaii.

OS Agreement.<sup>2</sup> The Consumer Advocate filed its statement of position on February 19, 2004, informing us that it does not object to our approval of Verizon Hawaii's request.

## II.

### Background

#### A.

### OS Agreement

Verizon Hawaii is a corporation duly organized and existing under and by virtue of the laws of the State of Hawaii ("State"). It engages in the provision of varied telecommunications services to its customers and the general public within its chartered territory in the State.

Time Warner Hawaii does business in the State as Oceanic Communications. Time Warner Hawaii initially received authority to provide digital and analog intrastate dedicated transport telecommunications service in the City and County of Honolulu.<sup>3</sup> It later received authorization to expand its service territory to the entire State in Decision and Order No. 14395, filed on November 27, 1995, in Docket No. 95-0316.

The OS Agreement sets forth the rates, terms, and conditions under which Time Warner Hawaii agrees to purchase operator services from Verizon Hawaii. The OS Agreement applies to Local Operator Assistance, Local Directory Assistance with

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<sup>2</sup>No person moved to intervene or participate in this docket.

<sup>3</sup>See, Decision and Order No. 14145, filed on August 17, 1995, in Docket No. 94-0093.

Call Completion, and National Directory Assistance, and has a term of three (3) years.

B.

Consumer Advocate's Position

In its efforts to assess the OS Agreement, the Consumer Advocate compared the OS Agreement with previously approved operator services agreements between Verizon Hawaii and other telecommunications carriers, such as Sandwich Isles Communications, Inc., GST Telecom Hawaii, and TelHawaii, Inc. Aside from minor differences in the language, terms, conditions, and rates, which it deemed to be "not significant", the Consumer Advocate found that the OS Agreement is generally similar to the previously approved operator services agreements. Additionally, it noted that the proposed rates of the OS Agreement are the same rates previously stipulated to by Verizon Hawaii and Time Warner Hawaii, which was approved by the commission in Order No. 18230, filed on December 6, 2000, as amended by Order No. 18236, filed on December 8, 2000, in Docket No. 7702. Based on these factors, the Consumer Advocate determined that the OS Agreement does not appear to discriminate against telecommunications carriers not a party to the agreement. The Consumer Advocate also concluded that the OS Agreement is consistent with the public interest, convenience, and necessity objectives of advancing competition in the State's telecommunications market since it enables Time Warner Hawaii to continue to provide operator services to its customers in Hawaii.

### III.

#### Findings and Conclusions

HAR § 6-80-54 requires all agreements regarding access, interconnection, unbundling, and network termination adopted by negotiation or arbitration be submitted to the commission for review and approval. The Agreement is not an arbitrated agreement but one that was negotiated by the Verizon Operating Companies (which includes Verizon Hawaii) and the Time Warner Affiliates (including Time Warner Hawaii). Accordingly, we will treat the OS Agreement as a negotiated interconnection agreement and conduct our review under HAR § 6-80-54(b).

HAR § 6-80-54(b) specifically states that we may reject a negotiated interconnection agreement if we find:

- (1) The agreement, or any portion of the agreement, discriminates against a telecommunications carrier not a party to the agreement; or
- (2) The implementation of the agreement, or any portion of the agreement, is not consistent with the public interest, convenience, and necessity.

The commission concurs with the Consumer Advocate's conclusions that the OS Agreement does not appear to discriminate against other telecommunications carriers, and that the implementation of the OS Agreement is consistent with the public interest, convenience, and necessity. The commission recognizes that approval of the OS Agreement is in the public interest since it will allow Time Warner Hawaii to continue to provide operator services to its customers, advancing the State's interest of increasing competition in the telecommunications market.

Accordingly, we conclude that the OS Agreement should be approved.

IV.

Orders

THE COMMISSION ORDERS:

1. The OS Agreement between the Verizon Operating Companies and the Time Warner Affiliates, filed on February 2, 2004, is approved, as it pertains to Verizon Hawaii and Time Warner Hawaii, under HAR § 6-80-54(b).

2. This docket is closed.

DONE at Honolulu, Hawaii this 8th day of April, 2004.

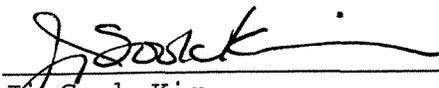
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:

By   
Janet E. Kawelo, Commissioner

  
Ji Sook Kim  
Commission Counsel

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 20896 upon the following Petitioners, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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DATED: April 8, 2004