

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)  
HOH UTILITIES, LLC, OBAYASHI )  
HAWAII CORPORATION, and )  
MARRIOTT OWNERSHIP OPERATING )  
RESORTS, INC. )  
Application for Approval for HOH )  
Utilities, LLC to (a) Acquire )  
the Interests of the Poipu Water )  
Reclamation Facility Owned by )  
Marriott Ownership Resorts, Inc.; )  
(b) Modify its CPCN to Expand its )  
Service Territory; and )  
(c) Establish Initial Rates. )

DOCKET NO. 04-0094

ORDER NO. 21498

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

2004 DEC 22 A 9:01

RECEIVED

Filed Dec. 20, 2004

At 10:00 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.



that Applicant's revised tariff was in compliance with Decision and Order No. 21334.<sup>2</sup>

Upon review of the revised tariff, the commission finds it to be in compliance with Decision and Order No. 21334, and also finds that it should take effect on December 3, 2004, as requested by Applicant. Pursuant to Decision and Order No. 21334, the commission ordered that Applicant's revised tariff should take effect upon filing. Accordingly, ordering paragraph number three (3) in Decision and Order No. 21334 is amended to delete the instruction that Applicant's tariff is effective upon filing, and instead shall read:

"3. HOH shall promptly file with the commission its revised tariff sheets, incorporating its expanded service territory."

## II.

### Rate Case Application

Pursuant to Decision and Order No. 21334, Applicant was ordered to file its general rate application, "unless otherwise ordered", by December 31, 2004. By letter filed on December 2, 2004, Applicant requests that the commission allow it to defer filing of its general rate case application to January 31, 2005. Applicant asserts that delaying filing of its rate case application by one (1) month will allow it to complete acquisition of a

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<sup>2</sup>As stated in its Statement of Position, filed on July 27, 2004 in the instant docket, the Consumer Advocate reiterated that it would be reviewing concerns it has regarding Applicant's initial tariff rates upon Applicant's filing of its rate case application.

minority interest in the Poipu Water Reclamation Facility ("PWRF").<sup>3</sup> Applicant represents that the Consumer Advocate does not object to this request.

The commission finds good cause to grant Applicant additional time, to January 31, 2005, in which to file its rate case application. The commission finds it reasonable to allow Applicant the additional time to attempt acquisition of the minority interest in PWRF as this will simplify its pending rate case application. Accordingly, the commission concludes that Applicant should file its rate case application by January 31, 2005.

### III.

#### Request for Waiver of Hawaii Administrative Rules § 6-61-87

In its December 2, 2004 letter, Applicant also requests a waiver of the Hawaii Administrative Rules ("HAR") § 6-61-87(4)(A) test year requirement for purposes of its rate case application.<sup>4</sup> Applicant requests to use the 2005 calendar year as its test year. Applicant states that the Consumer Advocate does not object to this request.

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<sup>3</sup>Applicant was granted commission approval for the acquisition of PWRF in Decision and Order No. 21334.

<sup>4</sup>Specifically, HAR § 6-61-87(4)(A) provides that applications for a general rate increase filed within the first six months of any year use the test year of July 1 of that year to June 30 of the following year. Thus, if Applicant files its rate case application on January 31, 2005, its test year should be, pursuant to HAR § 6-61-87(4)(A), July 1, 2005 to June 30, 2006.

The commission finds good cause to grant Applicant's request to utilize the 2005 calendar year test year, and thus concludes that Applicant's request should be granted.

IV.

Orders

THE COMMISSION ORDERS:

1. Decision and Order No. 21334 is amended, consistent with the terms of this order. In all other respects, Decision and Order No. 21334 remains unchanged and in effect.

2. Applicant's revised tariff will take effect on December 3, 2004.

3. Applicant's request to waive the HAR § 6-61-87(4)(A) test year, and to use as its test year the 2005 calendar year, is granted.

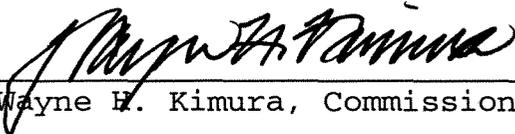
4. Applicant shall file its general rate case application by January 31, 2005.

5. This docket is closed.

DONE at Honolulu, Hawaii DEC 20 2004.

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:

  
Benedyne S. Stone  
Commission Counsel

04-0094.cs

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21498 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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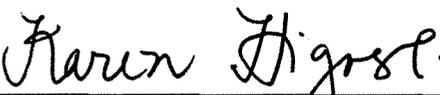
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Karen Higashi

DATED: DEC 20 2004