

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
ALLTEL HOLDING CORPORATE SERVICES,)
INC.)
For a Certificate of Authority)

DOCKET NO. 05-0325

DECISION AND ORDER NO. 22330

Filed March 16, 2006
At 11 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

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

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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

In the Matter of the Application of)
ALLTEL HOLDING CORPORATE SERVICES,)
INC.)
For a Certificate of Authority)
_____)

Docket No. 05-0325
Decision and Order No. 22330

DECISION AND ORDER

By this Decision and Order, the commission grants ALLTEL HOLDING CORPORATE SERVICES, INC. ("Applicant") a certificate of authority ("COA") to provide intrastate telecommunications services within the State of Hawaii ("State") as a reseller and to provide other telecommunications services as described in its Application,¹ subject to certain conditions, as described herein.

I.

Background

Applicant, a newly created subsidiary of Alltel Holding Corp., is a Delaware corporation authorized to conduct business in the State as a foreign corporation. Applicant is affiliated

¹Application, Verification, Certificate of Service, and Exhibits 1 - 8, filed on December 23, 2005 (collectively, the "Application").

with Alltel Communications, Inc. ("ACI"), which is currently certificated in Hawaii to provide resold long distance service.²

On December 23, 2005, Applicant filed an Application seeking a COA to provide telecommunications services in the State, pursuant to Hawaii Revised Statutes ("HRS") § 269-7.5 and Hawaii Administrative Rules ("HAR") §§ 6-80-17 and 6-80-18.³ The Application states that, upon approval of the Application, Applicant will become the owner of ACI's current long distance resale business. More specifically, Applicant maintains that "[a]fter receiving approval to provide service as a switchless reseller in the State of Hawaii, [Applicant] will transfer the current customers of [ACI] to [Applicant]."⁴ Applicant intends to offer and provide resold switched access, inbound and outbound interexchange telecommunications services for the direct transmission and reception of voice and data between locations within the State.

²ACI was granted a COA to operate as a reseller of intrastate telecommunications services in Hawaii in Decision and Order No. 18459, filed on April 2, 2001, in Docket No. 00-0402.

³Applicant served copies of its Application upon the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate").

⁴See December 22, 2005 transmittal memorandum to commission from Applicant. Applicant further states that it will comply with 47 CFR § 64.1120(e) and HAR § 6-80-123 by providing notice of the transfer to customers at least thirty (30) days prior to the transfer, and will file a copy of the customer notification with the commission and the Consumer Advocate. See id.

On February 6, 2006, the Consumer Advocate filed its Statement of Position, informing the commission that it does not object to the approval of the Application.⁵

II.

Discussion

HRS § 269-7.5 prohibits a public utility from commencing business in the State without first obtaining a certificate of public convenience and necessity ("CPCN") from the commission.⁶ HAR § 6-80-18(a) states that:

The commission shall issue a certificate of authority to any qualified applicant, authorizing the whole or any part of the telecommunications service covered by the application, if it finds that:

- (1) The applicant possesses sufficient technical, financial, and managerial resources and abilities to provide the proposed telecommunications service in the State;

⁵As part of its review, the Consumer Advocate finds that Applicant's proposed tariff is reasonable, and that "[Applicant's] tariff submitted in the instant filing is similar if not identical to the current ACI tariff on file with the commission except for the provider's name change." See Consumer Advocate's Statement of Position, at 6. The commission also finds that Applicant's proposed tariff appears to comply with the applicable requirements of HAR chapter 6-80. Based on the commission's review of the proposed tariff, however, Applicant should revise its proposed tariff as follows:

1. *Hawaii PUC, Tariff No. 1, Original Sheet No. 25* - the acronym "NPA" should be defined when it first appears in the tariff (e.g., Numbering Plan Area ("NPA")).

⁶On June 3, 1996, HAR chapter 6-80 took effect. HAR chapter 6-80 replaces the CPCN with a COA for telecommunications carriers, and establishes procedures for requesting and issuing a COA.

- (2) The applicant is fit, willing, and able to properly perform the proposed telecommunications service and to conform to the terms, conditions, and rules prescribed or adopted by the commission; and
- (3) The proposed telecommunications service is, or will be, in the public interest.

HAR § 6-80-18(a).

Having reviewed the record, 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, as evidenced by the financial statements⁷ and resumes of its management team submitted in support of its Application.

2. Applicant is fit, willing, and able to properly perform the telecommunications services and to conform to the terms, conditions, and rules prescribed or adopted by the commission, as evidenced by the representations in its Application. Moreover, the commission's grant of a COA to

⁷HAR § 6-80-17(c)(1)(E) requires Applicant, as part of the COA process, to submit "a copy of [its] most recent audited financial statement and, if more than three months have elapsed since the date of the most recent audited financial statement, a current, unaudited financial statement[.]" Concomitantly, HAR § 6-80-135(a) authorizes the commission to exempt or waive certain requirements set forth in HAR chapter 6-80, including HAR § 6-80-17(c)(1)(E), upon a determination that an exemption or waiver is in the public interest. The Consumer Advocate notes that Applicant did not file an audited financial statement as mandated by HAR § 6-80-17(c)(1)(E), but nonetheless does not object in this instance to the commission, on its own motion, waiving the requirement for Applicant to submit an audited financial statement as part of its Application. The commission concurs with the Consumer Advocate's assessment, and pursuant to HAR § 6-80-135(a), waives the requirement set forth in HAR § 6-80-17(c)(1)(E) for Applicant to submit an audited financial statement.

Applicant to provide the proposed services will be conditioned upon Applicant's conformity to the terms, conditions, and rules prescribed or adopted by the commission as discussed below.

3. Applicant's proposed telecommunications services are in the public interest. The commission recognizes that additional service providers in the industry increase competition and provide the consumer with options in Hawaii's telecommunications market. As noted by the Consumer Advocate, Applicant's proposed services are in the public interest as "preserving or improving the existing level of competition in the telecommunications industry will continue the achievement of certain benefits that would not be present in a monopolistic environment."⁸

Based on the foregoing, the commission grants Applicant a COA to provide intrastate telecommunications services within the State as a reseller and to provide other telecommunications services as described in its Application.

III.

Orders

THE COMMISSION ORDERS:

1. Applicant is granted a COA to provide intrastate telecommunications services in the State as a reseller and to provide other telecommunications services as described in its Application.

⁸See Consumer Advocate's Statement of Position, at 5.

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

3. Applicant shall file its tariffs in accordance with HAR §§ 6-80-39 and 6-80-40. Applicant's tariffs shall comply with the provisions of HAR chapter 6-80. In the event of a conflict between any tariff provision and State law, State law shall prevail.

4. Applicant shall: (A) conform its initial tariff to the applicable provisions of HAR chapter 6-80, by, among other things, incorporating the tariff revision set forth in note 5 of this Decision and Order. An original and eight (8) copies of the initial tariff, with the noted revision, shall be filed with the commission, and two (2) additional copies shall be served on the Consumer Advocate. Applicant shall ensure that the appropriate issued and effective dates are reflected in its tariffs.

5. Within thirty (30) days from the date of this Decision and Order, Applicant shall pay a public utility fee of \$60, pursuant to HRS § 269-30. The business check shall be made payable to the Hawaii Public Utilities Commission, and sent to the commission's office at 465 S. King Street #103, Honolulu, HI 96813.

6. Within thirty (30) days from the date of this Decision and Order, Applicant shall also pay a telecommunications relay service ("TRS") contribution of \$10, established pursuant

to: (A) HRS § 269-16.6; and (B) Decision and Order No. 21847, filed on May 31, 2005, in Docket No. 05-0088. (A copy of Decision and Order No. 21847 is attached hereto as Exhibit 1.) The business check shall be made payable to "Hawaii TRS", and sent to the Hawaii TRS Administrator, NECA Services, Inc., 80 S. Jefferson Road, Whippany, NJ 07981. Written proof of payment shall be sent to the commission.

7. As to the proposed transfer of customers from ACI to Applicant, in compliance with 47 CFR § 64.1120(e) and HAR § 6-80-123, Applicant shall provide notice to affected customers of the transfer at least thirty (30) days prior to the transfer, and shall file a copy of the customer notification with the commission and Consumer Advocate.

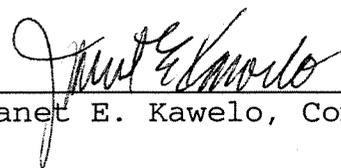
8. Applicant's failure to comply with the requirements set forth in paragraphs 3 to 7, above, constitutes cause to void this Decision and Order, and may result in further regulatory action as authorized by law.

DONE at Honolulu, Hawaii MAR 16 2006.

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:


Kaiulani E.S. Kidani
Commission Counsel

05-0325.eh

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
 PUBLIC UTILITIES COMMISSION)
)
 Instituting an Investigation)
 into the Carrier Contribution)
 Factor and Telecommunications)
 Relay Services Fund Size for)
 the period of July 1, 2005)
 through June 30, 2006.)
 _____)

DOCKET NO. 05-0088

DECISION AND ORDER NO. 21847

Filed May 31, 2005
At 10 o'clock A .M.

Karon Higuchi
Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
 PUBLIC UTILITIES COMMISSION)
)
 Instituting an Investigation)
 into the Carrier Contribution)
 Factor and Telecommunications)
 Relay Services Fund Size for)
 the period of July 1, 2005)
 through June 30, 2006.)
 _____)

Docket No. 05-0088
Decision and Order No. 21847

DECISION AND ORDER

By this Order, the commission: establishes the Telecommunications Relay Services ("TRS") carrier contribution factor for the period July 1, 2005 to June 30, 2006 (the "Period"), at 0.0010, and establishes the projected TRS fund size for the Period, at approximately \$680,000.

I.

Background

By Order No. 21730, filed on April 12, 2005, ("Order No. 21370") the commission initiated the instant proceeding to examine whether to modify the TRS carrier contribution factor and fund size for the Period, established in accordance with Order No. 20193, filed on May 23, 2003, in

Docket No. 03-0058 ("Order No. 20193").¹ Specifically, in Order No. 21370, the commission proposed to continue the existing carrier contribution factor of .0010, established by Order No. 21049, filed on April 15, 2004, in Docket No. 04-0070. The commission also proposed to keep the projected TRS fund size, for the Period, at approximately \$680,000.

The commission served copies of Order No. 21730 on The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate") and Sprint, the parties to this proceeding, and mailed copies of Order No. 21730 to all chartered, certificated and registered telecommunications carriers, except payphone providers, at their mailing addresses on file with the commission to solicit written comments. Written comments to the proposals were accepted until May 6, 2005. As of the date of this Order, no written comments were filed with the commission on any of the commission's proposals.

II.

Background

On May 23, 2003, the commission issued Order No. 20193, in Docket No. 03-0058 which, among other things, ordered: (1) every telecommunications carrier providing intrastate telecommunications service in the State of Hawaii to contract

¹In Docket No. 03-0058, the commission selected SPRINT COMMUNICATIONS CO., LP ("Sprint") as the exclusive provider of intrastate TRS within the State of Hawaii ("State of Hawaii") from July 1, 2003 to June 30, 2006. See Decision and Order No. 20163, filed on April 30 2003. Order No. 20193, filed on May 23, 2003, in Docket No. 03-0058.

with Sprint for the provision of telecommunications relay service, for the period beginning July 1, 2003 to June 30, 2006; (2) every carrier providing intrastate telecommunications service in Hawaii shall contribute to the TRS fund on the basis of gross operating revenues from the retail provision of intrastate telecommunications services during the preceding calendar year, consistent with the terms of Order No. 20193²; (3) contributors' contribution to the TRS fund shall be the product of their gross operating revenue from the retail provision of intrastate telecommunications services during the preceding calendar year, which is subject to investigation by the commission, and a contribution factor determined annually by the commission, consistent with the terms of Order No. 20193; and (4) the annual TRS funding period commences July 1 and ends June 30 of each year.

III.

Discussion

The Commission received no comments or objections to the proposals in Order No. 21730. Upon review, the commission finds the proposals in Order No. 21730 to be reasonable and in the public interest. Accordingly, the carrier contribution factor for the Period shall be 0.0010 and the projected TRS fund size, for the Period shall be established at approximately \$680,000.

²The commission specifically excluded payphone providers from contributing to the TRS fund.

III.

Orders

THE COMMISSION ORDERS:

1. The contribution factor for the Period (July 1, 2005 to June 30, 2006) shall be 0.0010. The projected TRS fund size, for the Period, shall be approximately \$680,000.

2. Each carrier shall complete and submit a TRS Reporting Worksheet, attached to this Order as Exhibit "A".

3. Annual contributions are due July 26th; carriers who owe contributions \$1,200 or more may pay in twelve equal monthly installments, due on the 26th of each month, provided that they submit their TRS Reporting Worksheet by July 26th.

4. Carriers reporting \$10,000 or less in gross intrastate retail revenues shall contribute at least \$10.00 for the period July 1, 2005 to June 30, 2006.

5. Every carrier, except Commercial Mobile Radio Service ("CMRS") providers, shall comply with the 30-day notice requirement of HRS § 269-16(b) and HAR § 6-80-40(b) for any TRS surcharge imposed on its customers, both residential and business, to recover the amount of its contribution. CMRS providers shall place information on their TRS surcharges on their websites, consistent with Decision and Order No. 20890, filed on April 7, 2004, in Docket No. 03-0186.

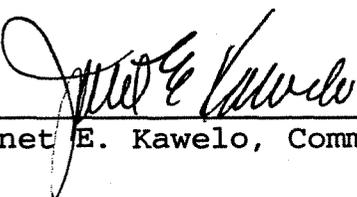
6. Order No. 20193, filed on May 23, 2003, in Docket No. 03-0058, is amended consistent with the terms and conditions of this decision and order. In all other respects, Order No. 20193 remains unchanged.

DONE at Honolulu, Hawaii, MAY 31 2005.

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:


Kevin M. Katsura
Commission Counsel

05-0088.en

**State of Hawaii
Public Utilities Commission
Telecommunications Relay Services
Carrier Remittance Worksheet
For the Period July 1, 20__ - June 30, 20__**

SECTION A	CARRIER IDENTIFICATION
Date:	
Company Name:	
Mailing Address:	
Email Address:	

SECTION B	REMITTANCE CALCULATION
1. Gross Revenues (Based on Prior Calendar Year) <small>(e.g., Current year is 20X2; Report revenues from 20X1) (Amount should match gross revenues reported for Hawaii PUC Fee purposes, HRS § 269-30)</small>	
2. Less: Revenue Adjustments (describe, see Section E)	< >
3. Gross Intrastate Retail Revenues	
4. Hawaii TRS Contribution Factor	.001
5. Gross Hawaii TRS Assessment (line 3 x line 4)	
6. Greater of line 5 or \$10.00 (minimum due)	
<p>If Line 6 is less than \$1,200, this is your annual contribution to the TRS Fund for the period beginning July 1st of the current year to June 30th of the following year. Please pay the amount on line 6, in full, by July 26th of the current year. Send your remittance with a copy of this worksheet to the address listed below.</p> <p>If Line 6 is \$1,200 or more, continue to line 7 below.</p>	

SECTION C	MONTHLY CONTRIBUTION
7. Dividè line 6 by 12	
<p>Line 7 is your first monthly contribution to the TRS Fund, for the period beginning July 1st of the current year to June 30th of the following year. Send your 1st monthly remittance with a copy of this worksheet to the address listed below. Please pay the amount on line 7 by July 26th. NECA Services, Inc. will then send you a bill for the remaining eleven monthly payments.</p>	

SECTION D CERTIFICATION			
<p>Under penalties as provided by law, I certify that I am duly authorized to verify the foregoing information contained herein and that the information is true and correct to the best of my knowledge and belief.</p>			
Date	Officer Name	Officer Signature	Officer Title
_____	_____	_____	_____
Date	Contact Name	Contact Phone	Contact Title
_____	_____	_____	_____

<p style="text-align: center;">Questions??? Hawaii TRS Administrator NECA Services, Inc. 80 S. Jefferson Road Whippany, NJ 07981 Phone (973) 884-8011 Fax (973) 599-6504</p>	<p style="text-align: center;">Make checks payable to "Hawaii TRS" and send with worksheet to: Attn: Hawaii TRS Administrator NECA Services, Inc. 80 S. Jefferson Road Whippany, NJ 07981</p>
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SECTION E DETAILS CONCERNING REVENUE ADJUSTMENT(S)

If revenue adjustment(s) are not explained here, amounts deducted will be disallowed and proposed assessments may be prepared against you.

Describe amounts deducted from Gross Revenues to obtain Gross Intrastate Retail Revenues (list):	Amount
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
TOTAL	

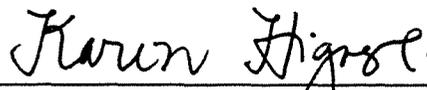
Exhibit "A"

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21847 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

MAGGIE SCHOOLAR
GOVERNMENT ACCOUNT EXECUTIVE
SPRINT COMMUNICATIONS
1321 Rutherford Lane, Suite 120
Austin, TX 78753



Karen Higashi

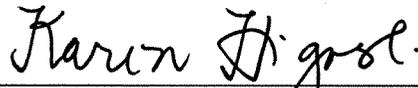
DATED: MAY 31 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 22330 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

JOHN E. COLE
EXECUTIVE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

STEPHEN B. ROWELL
Vice President - Wireline Legal
Alltel Holding Corporate Services, Inc.
One Allied Drive, Building 2
Little Rock, AR 72202



Karen Higashi

DATED: MAR 16 2006