

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)  
MANELE WATER RESOURCES, LLC )  
For a Certificate of Public )  
Convenience and Necessity Pursuant )  
to Section 269-7.5 to Provide )  
Sewer Service in Manele-Hulopoe, )  
Lana'i; and for Approval of Rules, )  
Regulations, and Rates. )  
\_\_\_\_\_ )

DOCKET NO. 2006-0166

ORDER NO. 22984

Filed Oct. 27, 2006  
At 1:30 o'clock P.M.

Karen Higashi  
Chief Clerk of the Commission

RECEIVED  
2006 OCT 30 A 9:18  
DIV. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

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)  
MANELE WATER RESOURCES, LLC )  
For a Certificate of Public Convenience and Necessity Pursuant )  
to Section 269-7.5 to Provide )  
Sewer Service in Manele-Hulopoe, )  
Lana'i; and for Approval of Rules, )  
Regulations, and Rates. )  

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Docket No. 2006-0166

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ORDER

By this Order, the commission instructs MANELE WATER RESOURCES, LLC ("Applicant") and the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate") to submit a stipulated procedural schedule, which incorporates the deadlines discussed herein, for the commission's review and consideration within thirty (30) days of the date of this Order.<sup>1</sup>

I.

Background

On June 28, 2006, Applicant filed its Application for a Certificate of Public Convenience and Necessity to provide sewer

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<sup>1</sup>Applicant and the Consumer Advocate are jointly referred to as the "Parties."

service in the area of Manele-Hulopoe on the island of Lana'i, and for approval of its rules, regulations, and rates.<sup>2</sup>

On August 1, 2006, the Consumer Advocate filed a Statement of Position Regarding Completeness of Application ("Statement of Position"), wherein the Consumer Advocate noted certain deficiencies in the Application. The Consumer Advocate recommended that the commission find the Application to be incomplete and order Applicant to address the noted deficiencies.

By letter dated August 4, 2006, the Parties informed the commission that they had discussed the issues raised in the Consumer Advocate's Statement of Position and resolved them.<sup>3</sup> Specifically, the Parties agreed that Applicant would file a supplement to the Application to address the points raised in the Statement of Position. The Parties also informed the commission that they agreed to waive a hearing under HRS § 269-16(d)<sup>4</sup> on the Consumer Advocate's objections to the Application.

On August 7, 2006, Applicant filed a Supplement to the Application, wherein Applicant provided additional information to support its Application in response to the Consumer Advocate's

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<sup>2</sup>Application, Exhibits A - L, Verification, and Certificate of Service, filed on June 28, 2006 ("Application"). By letter dated July 27, 2006, the commission informed the Parties that it would be treating the Application as an application for a certificate of public convenience and necessity under Hawaii Revised Statutes ("HRS") § 269-7.5, and as an application for a general rate increase under HRS § 269-16(f).

<sup>3</sup>See Letter dated and filed August 4, 2006, from Craig I. Nakanishi and Shah J. Bento to the commission.

<sup>4</sup>HRS § 269-16(d) provides that, when the Consumer Advocate objects to the sufficiency of an application filed under HRS § 269-16, the commission shall hear and determine such objections within twenty-one (21) days after the objections are filed.

Statement of Position. Applicant also requested waivers of the requirements to file audited financial information under Hawaii Administrative Rules ("HAR") §§ 6-61-75(b)(1) and 6-61-75(b)(2), and to state the total increase in its proposed rates as a percent under HAR § 6-61-88(2).

On August 9, 2006, the Consumer Advocate filed a Supplemental Statement of Position Regarding the Completeness of Application. The Consumer Advocate stated that the deficiencies raised in the Consumer Advocate's initial Statement of Position had been addressed, and that it did not oppose the waiver requests made by Applicant in its Supplement to the Application.

On September 15, 2006, the commission filed Order No. 22859, which granted Applicant's waiver requests, and set the filing date of Applicant's completed Application, as supplemented, as August 7, 2006.

On September 29, 2006, the commission held a public hearing on the Application in Lana'i City, Lana'i, Hawaii.

## II.

### Discussion

HRS § 269-16(f)(3) provides that the commission shall:

[m]ake every effort to complete its deliberations and issue a proposed decision and order within six months from the date the public utility files a completed application with the commission, provided that all parties to the proceeding strictly comply with the procedural schedule established by the commission and no person is permitted to intervene.

HRS § 269-16(f)(3). Thus, pursuant to HRS § 269-16(f)(3), the commission is required to complete its deliberations and issue a proposed decision and order within six months from the date Applicant filed a completed application on August 7, 2006,<sup>5</sup> or by February 7, 2007.

Furthermore, the commission interprets HRS § 269-16(f)(3) to require the commission to issue a procedural order that allows the commission to complete its review within the six-month period prescribed in HRS § 269-16(f)(3). Accordingly, the commission will instruct the Parties to submit a stipulated procedural schedule that allows the commission to complete its review in this proceeding by February 7, 2007. In order for the commission to reasonably meet this deadline, any stipulated procedural schedule should provide that Applicant's deadline to file Rebuttal Testimony or a Statement of Position, if any, should be no later than January 17, 2007. If the Parties are unable to agree to a stipulated procedural schedule that conforms to the foregoing parameters, the commission will issue its own procedural order in accordance with HRS § 269-16(f)(3).

### III.

#### Orders

##### THE COMMISSION ORDERS:

1. Within thirty (30) days from the date of this Order, the Parties shall submit to the commission a stipulated procedural schedule, incorporating their agreed upon schedule

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<sup>5</sup>See Order No. 22859, filed on September 15, 2006.

with respect to this proceeding. The deadlines in the stipulated procedural schedule must be based upon the commission completing its deliberations in this docket by February 7, 2007. To this end, the deadline for Applicant to submit Rebuttal Testimony or a Statement of Position, if any, must be no later than January 17, 2007.

2. If the Parties are unable to stipulate to such a schedule, the commission will issue its own procedural order that complies with the time requirements of HRS § 269-16(f)(3).

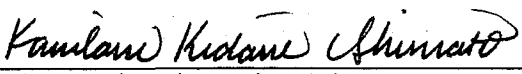
DONE at Honolulu, Hawaii OCT 27 2006.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By:   
Carlito P. Caliboso, Chairman

By:   
John E. Cole, Commissioner

APPROVED AS TO FORM:

  
Kaiulani Kidani Shinsato  
Commission Counsel

2006-0166.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 22984 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CATHERINE P. AWAKUNI  
EXECUTIVE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
DIVISION OF CONSUMER ADVOCACY  
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Karen Higashi

DATED: OCT 27 2006