

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
GLOBALCOM, INC. )  
For Approval of Financing )  
Transaction )  
\_\_\_\_\_ )

DOCKET NO. 2007-0339

DECISION AND ORDER NO. 23959

Filed Jan. 7, 2008  
At 11 o'clock A.M.

Karen Higashi  
Chief Clerk of the Commission

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KAREN HIGASHI  
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Commission, State of Hawaii.

K. Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
GLOBALCOM, INC. ) Docket No. 2007-0339  
For Approval of Financing ) Decision and Order No. 23959  
Transaction )  
\_\_\_\_\_ )

DECISION AND ORDER

By this Decision and Order, the commission waives the requirements of Hawaii Revised Statutes ("HRS") §§ 269-7(a), 269-17 and 269-19 and Hawaii Administrative Rules ("HAR") §§ 6-61-101 and 6-61-105, to the extent applicable, with respect to GLOBALCOM, INC.'s ("Applicant") request for approval to participate in the financing transaction described in its application ("Proposed Transaction").

I.

Background

A.

Application

On October 11, 2007, Applicant<sup>1</sup> filed a request for expedited commission approval of the Proposed Transaction, which would allow Applicant to borrow up to a certain amount in debt

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<sup>1</sup>Applicant was granted a certificate of authority to operate as a reseller of intrastate telecommunications services in the State of Hawaii by Decision and Order No. 17852, filed on July 24, 2000, in Docket No. 00-0183.

financing secured by certain assets,<sup>2</sup> as further described in the application.<sup>3</sup> According to Applicant, the Proposed Transaction will be transparent to customers; will not result in the change of any rate, term or condition of service; will ensure that Applicant has the capital necessary to grow and expand; and will serve the public interest in promoting competition among telecommunications carriers by providing Applicant with the opportunity to strengthen its competitive position through access to greater financial resources.

B.

Consumer Advocate's Statement of Position

On November 21, 2007, the Consumer Advocate filed its statement of position in which it recommends that the commission waive its approval authority over the Proposed Transaction. In the alternative, if the commission is not inclined to waive its approval authority, the Consumer Advocate states that it does not object to approval of the Proposed Transaction.

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<sup>2</sup>The amount of debt financing and other specifics of the Proposed Transaction were filed under seal, pursuant to Protective Order No. 23791, filed on October 30, 2007.

<sup>3</sup>Applicants served copies of the Application on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), an ex officio party to this proceeding.

II.

Discussion

HRS § 269-16.9 allows the commission to waive regulatory requirements applicable to telecommunications providers if it determines that competition will serve the same purpose as public interest regulation. Specifically, HAR § 6-80-135 permits the commission to waive the applicability of any of the provisions of HRS ch. 269 or any rule, upon a determination that a waiver is in the public interest.

In this docket, the commission finds, at this time, that Applicant is a non-dominant carrier in the State. The commission also finds that the Proposed Transaction is consistent with the public interest, and that competition, in this instance, will serve the same purpose as public interest regulation. Thus, the commission concludes that the requirements of HRS § 269-7(a), 269-17 and 269-19 should be waived, to the extent applicable, with regards to the matters in this docket, pursuant to HRS § 269-16.9 and HAR § 6-80-135.<sup>4</sup> Similarly, based on these findings and conclusions stated above, the commission will also waive the provisions of HAR §§ 6-61-101 and 6-61-105, to the extent that the application fails to meet any of these filing requirements.

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<sup>4</sup>The commission will continue to examine each application or petition and make determinations on a case-by-case basis as to whether the applicable requirements of HRS §§ 269-7(a), 269-17 and 269-19, should be waived. Thus, the commission's waiver in this instance should not be construed by any public utility, including Applicant, as a basis for not filing an application or petition regarding similar transactions that fall within the purview of these statutes.

III.

Orders


THE COMMISSION ORDERS:

1. The requirements of HRS §§ 269-7(a), 269-17, and 269-19, to the extent applicable, are waived with respect to the Proposed Transaction, described in the application filed on October 11, 2007.

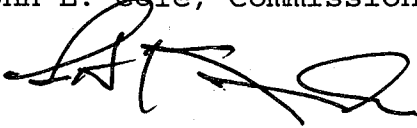
2. The filing requirements of HAR §§ 6-61-101 and 6-61-105, to the extent applicable, are also waived.

DONE at Honolulu, Hawaii JAN - 7 2008.

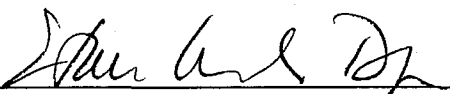
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
John E. Cole, Commissioner

By   
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

  
Stacey Kawasaki Djou  
Commission Counsel

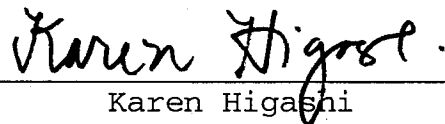
2007-0339.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 23959 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: JAN - 7 2008