

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
WAIKOLOA SANITARY SEWER)
COMPANY, INC., dba)
WEST HAWAII SEWER COMPANY)
)
For Expedited Review and Approval)
to Increase Rates.)
_____)

DOCKET NO. 05-0329

ORDER NO. 24183

RECEIVED
2008 MAY -8 A 8:54
DIV. OF PUBLIC UTILITIES
DEPT. OF CONSUMER AFFAIRS
STATE OF HAWAII

Filed May 7, 2008
At 12 o'clock P.M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii

Karen Higashi

from the Parties attended and participated in the evidentiary hearing. The Consumer Advocate's witness, at the outset of her testimony before the commission, made certain corrections to the pre-filed Direct Testimony previously filed on March 3, 2008. At the conclusion of the evidentiary hearing, the commission instructed: (1) the Consumer Advocate to file the corrections orally made to the pre-filed Direct Testimony; and (2) the Parties to address in their post-hearing briefs, the applicability of the filed-rate doctrine in relationship to Issue No. 1, as it relates to the Memorandum of Agreement, dated March 2, 1988, between Transcontinental Development Company and the County of Hawaii (the "MOA"), i.e., WHSC's Hearing Exhibit C.

Consistent with Order No. 24123, filed on April 4, 2008, the Parties: (1) post-hearing opening briefs are due within twenty-one calendar days from the commission's receipt of the official transcripts; and (2) post-hearing reply briefs are due "within twenty-one calendar days from the date of service of the Opening Brief, and . . . the commission's procedural rules governing the calculation of due dates will apply (HAR chapter 6-61, subchapter 2)."²

II.

Discussion

In general, the Parties did not affirmatively object to the following matters as reflected in Proposed Decision and Order No. 23688, filed on October 1, 2007: (1) WHSC's Test Year

²Order No. 24123, filed on April 4, 2008, at 4.

operating revenues (present rates), operating and maintenance expenses (present rates), and rate of return; (2) the methodologies and tax rates utilized in computing WHSC's Test Year amounts for taxes other than income taxes, and income taxes, respectively; (3) the methodology for calculating WHSC's Test Year balance for working cash; (4) assigning the entire amount of the rate increase to the monthly standby charge; and (5) adding two new provisions to WHSC's tariff rules. Instead, WHSC's objections to Proposed Decision and Order No. 23688 relate to the contributions-in-aid-of-construction ("CIAC") balance for the Test Year. In addition, the Consumer Advocate, in its Direct Testimony filed in preparation for the evidentiary hearing, proposed the inclusion of CIAC in the Test Year CIAC balance related to the 17th Fairway Villas Project.

In addition to the commission's verbal instructions at the conclusion of the evidentiary hearing, the commission finds it necessary to instruct the Parties to include as attachments to the post-hearing briefs, results of operation schedules that reflect the party's position. The results of operation schedules shall identify the source of the specific amounts or figures proposed for each account or balance.

III.

Orders

THE COMMISSION ORDERS:

1. The Consumer Advocate shall promptly file the corrections orally made to its pre-filed Direct Testimony, with copies served on WHSC.

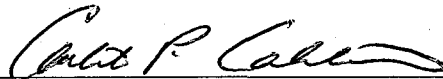
2. The Parties shall, in their post-hearing briefs, address the applicability of the filed-rate doctrine in relationship to Issue No. 1, specifically as it relates to the MOA, i.e., WHSC's Hearing Exhibit C. The Parties' post-hearing briefs shall include a discussion on: (A) whether the filed-rate doctrine applies; and (B) if so, the effect of applying the filed-rate doctrine herein.

3. The Parties shall include as attachments to their post-hearing briefs, results of operation schedules that reflect the party's position. The results of operation schedules shall identify the source of the specific amounts or figures proposed for each account or balance.

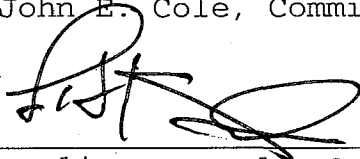
DONE at Honolulu, Hawaii

MAY - 7 2008


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
John E. Cole, Commissioner


Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

05-0329.cp

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 24183 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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Karen Higashi

DATED: **MAY - 7 2008**