BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
VERIZON HAWAII, INC. ) DOCKET NO. 03-0023
) )
For Approval to License Space at )
The Tantalus Transmission Facility )
Located in Oahu, Hawaii. )

DECISION AND ORDER NO. 20271

Filed June 27, 2003
At 10:00 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
In the Matter of the Application of)

VERIZON HAWAII, INC. )
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For Approval to License Space at )
The Tantalus Transmission Facility )
Located in Oahu, Hawaii. )
)
)

DECISION AND ORDER

I.

On January 31, 2003,1 VERIZON HAWAII INC. ("Verizon Hawaii") filed an application for approval to license space at the Tantalus Transmission Facility located on Oahu, Hawaii to the Federal Bureau of Investigation ("FBI") for the maintenance and operation of certain equipment for communications purposes related to national security. Verizon Hawaii makes its request in accordance with Hawaii Revised Statutes ("HRS") § 269-19 and Hawaii Administrative Rules ("HAR") § 6-61-105.2

Verizon Hawaii served a copy of its application on the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate"). On April 4, 2003, the Consumer Advocate served its information requests upon

1The information for Exhibit 1, pages 15 and 17, was not ready at the time that the application was filed. Instead, pages 15 and 17 of Exhibit 1 were filed on March 27, 2003.

2HAR § 6-61-105 describes the contents of an application filed by a public utility seeking to sell, lease, assign, mortgage, or otherwise dispose of or encumber the whole or any part of its property that is necessary or useful in the performance of its duties to the public.
Verizon Hawaii. Verizon Hawaii responded to its requests on April 16, 2003. By position statement filed on May 30, 2003, the Consumer Advocate informed the commission that it does not object to the approval of the instant application.

II.

Verizon Hawaii is a corporation duly organized and existing under and by virtue of the laws of the State of Hawaii ("State"), and engaged in the provision of varied telecommunications services to its customers and the general public within its chartered territory in the State. Verizon Hawaii is an incumbent local exchange carrier as defined by 47 U.S.C. § 252.

HRS § 269-19 provides, among other restrictions, that no public utility corporation shall sell, lease, assign, or otherwise dispose of or encumber the whole or any part of its road, line, plant, system, or other property necessary or useful in the performance of its duties to the public, without first having secured the commission's approval.

On October 1, 2002, Verizon Hawaii and the FBI executed a license agreement ("license agreement"), allowing the FBI: (1) to install, maintain, and operate its equipment on the licensed property and (2) reasonable ingress and egress over existing access roads on the leased premises to maintain its equipment for $1,200 per month and a one-time, non-refundable fee of $6,000.
Upon review, the terms and conditions of the license agreement appear reasonable and the license agreement, as a whole, appears to be consistent with the public interest for a number of reasons. The license agreement provides that the FBI shall observe and comply with all federal, state and local regulations, laws, orders and ordinances now or hereinafter in effect which affect the licensed property, the leased premises, the equipment, or the license agreement. In addition, the license agreement includes broad indemnification and insurance requirements. Further, the license agreement sets term limits with one extension option. This may allow Verizon Hawaii to review the license agreement for interference with its operations or to address other concerns. None of the provisions within the license agreement appear to be discriminatory against any telecommunications carriers. Finally, the monthly fee and one-time fee appear consistent with other license agreements recently approved by the commission.

By its statement of position, the Consumer Advocate concurs that the license agreement's terms and conditions appear reasonable, and states that the terms and conditions "do not seem to discriminate toward or against a carrier not party to the agreement." The Consumer Advocate further advises that the monthly fee is within the range of monthly fees for other similar transactions in the same area. Accordingly, among other reasons, the Consumer Advocate does not object to the commission's approval of the instant application.
Based on our review of the record, we find that the license agreement between Verizon Hawaii and the FBI is reasonable and consistent with public interest. Accordingly, we conclude that Verizon Hawaii's application to license space at its Tantalus Transmission Facility should be approved.

III.

THE COMMISSION ORDERS:

1. Verizon Hawaii's application, filed on January 31, 2003, to license space on the Tantalus Transmission Facility to the FBI is approved.

2. This docket is closed.

DONE at Honolulu, Hawaii this 27th day of June, 2003.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

Carlito F. Caliboso, Chairman

Wayne H. Kimura, Commissioner

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Catherine P. Awakuni
Commission Counsel

03-0023
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 20271 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

JOEL K. MATSUNAGA
VICE PRESIDENT, EXTERNAL AFFAIRS
VERIZON HAWAII INC.
P. O. Box 2200, A-17
Honolulu, HI  96841

DATED:  June 27, 2003