BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAI'I

In the Matter of

VERIZON HAWAII INC.'s

Request for Waiver of 60-Day Rule in
Section 6-80-90(b) of the Hawaii
Administrative Rules for the E911 Server
Replacement Project

STIPULATED ORDER NO. 20851

and

CERTIFICATE OF SERVICE

Filed: March 16, 2004
At 2:30 o'clock P.m.

Chief Clerk of the Commission
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAI'I

In the Matter of

VERIZON HAWAII INC. 's
Request for Waiver of Sixty-Day Rule in
§ 6-80-90(b) of the Hawaii Administrative
Rules for the E911 Server Replacement
Project

DOCKET NO. 04-0052

STIPULATION FOR ORDER

WHEREAS, pursuant to § 6-80-90(b) of the Hawaii Administrative Rules ("HAR"), VERIZON HAWAII INC. ("Verizon" or "Company") files with the Public Utilities Commission of the State of Hawaii ("Commission") applications to include in its rate base capital expenditures for projects in excess of $500,000;

WHEREAS, HAR § 6-80-90(b) states among other things that "...the carrier shall submit the proposed expenditures for review at least sixty days before the commencement of construction or commitment for expenditure, whichever is earlier..." (the "Sixty-Day Rule");

WHEREAS, Verizon provides statewide enhanced 911 ("E911") service which routes emergency calls to the public safety answering positions ("PSAPs") operated by the counties and certain military installations and provides automatic number identification ("ANI") and automatic location information ("ALI") of the caller to the PSAPs;
WHEREAS, servers located at the Company's Alakea Main Building at 1177 Bishop Street in Honolulu house the Scaleable Automatic Location with Selective Routing Addition ("SC/ALISA") application and the ALI database for the E911 system in Hawaii;

WHEREAS, these servers are essential to the reliability of the E911 network, and reliability of the E911 network is crucial to public safety;

WHEREAS, these servers are manufacturer discontinued and spare parts are not readily available;

WHEREAS, the servers need to be replaced to avoid service disruptions in the critical E911 system ("the E911 Server Replacement Project");

WHEREAS, Verizon is in the process of preparing an application pursuant to HAR § 6-80-90(b) to obtain Commission approval to commit funds for the E911 Server Replacement Project since this project is expected to cost in excess of $500,000;

WHEREAS, in February 2004, prior to the submission of the application, one of the two SC/ALISA servers failed, making it necessary to immediately proceed with the E911 Server Replacement Project prior to receiving Commission approval in accordance with HAR § 6-80-90(b);¹

WHEREAS, the Division of Consumer Advocacy ("Consumer Advocate") is an ex-officio party to any proceeding before the Commission pursuant to HAR § 6-61-62;

¹ Because there are redundant servers, there were no E911 service disruptions. However, if both servers simultaneously fail, ALI would not be available to the PSAPs. The hard disk in the failed server needed to be replaced, and fortunately, the manufacturer was able to provide replacement parts and the Company was able to restore the server back into service. However, because the servers are manufacturer discontinued, replacement parts will become unavailable some time in the future.
WHEREAS, in light of the above, Verizon and the Consumer Advocate hereby agree that the Commission's waiver of the Sixty-Day Rule for purposes of the E911 Server Replacement Project is in the public interest;

WHEREAS, the Consumer Advocate reserves the right to state its position on the merits of the E911 Server Replacement Project after it has completed its review of the application to be filed with the Commission;

WHEREAS, Verizon acknowledges that if the Commission does not approve the application that will be filed for the E911 Server Replacement Project, Verizon will have the burden of proof to justify the reasonableness of the capital expenditures in its next rate case.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, in accordance with HAR § 6-80-135, that the Commission may grant a waiver of the Sixty-Day Rule set forth in HAR § 6-80-90(b) for Verizon's E911 Server Replacement Project.

DATED: Honolulu, Hawaii, March 9, 2004

[Signatures]

LESLIE ALAN UEOKA
Assistant General Counsel
Attorney for
Verizon Hawaii Inc.

CHERYL S. KIKUTA
Acting Executive Director
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
APPROVED AND SO ORDERED THIS 16th day of March, 2004, at Honolulu, Hawaii.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAI'I

By ____________
Carlito P. Caliboso, Chairman

By ____________
Wayne H. Kimura, Commissioner

By ____________
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Ji Sook Kim
Commission Counsel
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing STIPULATED ORDER NO. 20851, upon the following party(s), by causing a copy hereof to be mailed, postage prepaid and properly addressed.

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DATED: March 16, 2004