

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
 KAPALUA WASTE TREATMENT)
 COMPANY, LTD.)
)
 For Approval of Expansion of its)
 Service Territory.)
 _____)

DOCKET NO. 03-0410

DECISION AND ORDER NO. 20996

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

2004 MAY 24 A 8:37

RECEIVED

Filed May 21, 2004

At 10:30 o'clock A.M.

Karen Higashi.
Chief Clerk of the Commission

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)
KAPALUA WASTE TREATMENT)
COMPANY, LTD.) Docket No. 03-0410
For Approval of Expansion of its) Decision and Order No. 20996
Service Territory.)
_____)

DECISION AND ORDER

I.

Application

KAPALUA WASTE TREATMENT COMPANY, LTD. ("Applicant") filed an application on December 9, 2003 requesting commission approval for an extension of its service territory to provide sewage collection and waste treatment service under its existing certificate of public convenience and necessity ("CPCN"). Applicant makes its request in accordance with Hawaii Revised Statutes ("HRS") §§ 269-7.5 and 269-16. Applicant also requests that the commission accept its unaudited financial statements, submitted on or about March 27, 2003, pursuant to the requirements set forth in Hawaii Administrative Rules ("HAR") 6-61-75, and incorporated by reference as provided in HAR § 6-61-76.

Applicant served copies of the application on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"). On March 12, 2004, the Consumer Advocate filed a statement of position stating that it

does not object to the approval of the application. No persons moved to intervene in this proceeding.

II.

Background

A.

Applicant is a public utility providing sewage collection and waste treatment service in the Kapalua area of Maui, Hawaii. It is a wholly owned subsidiary of Maui Land & Pineapple Company, Inc. ("ML&P"). Applicant's provision of wastewater service is in accordance with a CPCN issued by the commission in Decision and Order No. 4813, filed on September 2, 1977, in Docket No. 3157.

Applicant seeks to expand its service territory to include a new single-family residence on 9.963 acres of land located in Hawea Point adjacent to Applicant's existing service territory ("Property"). Applicant also proposes to amend its Rules and Regulations to reflect the change in service territory, including a new attachment to its Rules and Regulations with a map of the existing and new service area.

B.

Pursuant to agreements between Applicant, ML&P and the County of Maui ("County"), Applicant collects and delivers sewage in its service territory to the County for treatment and disposal. Applicant is permitted to dispose of up to 680,000 gallons of sewer

wastewater per day, on an average daily flow basis.¹ Applicant's current average daily wastewater flow is approximately 496,650 gallons, leaving Applicant with approximately 183,350 gallons per day of available capacity.² Applicant anticipates that the Property will have a sewer use of approximately 350 gallons per day,³ well within the available capacity.

Service to the Property will be provided by means of transmission lines and equipment installed by the Property owner to connect Applicant's facilities to the Property. Applicant represents that "[a]ll facilities installed by the owner outside of the property will ultimately be dedicated and transferred to Applicant".⁴

Applicant asserts that it has the capability and facilities to provide sewer service to the Property and that it is unaware of any other utility willing or able to provide such service to the Property. Additionally, the location of the Property, adjacent to Applicant's existing service area, facilitates the expansion of Applicant's existing sewer and wastewater service to the Property.

With regard to Applicant's request to amend its Rules and Regulations, the proposed change reflects the addition of the new service territory. Applicant states that a new drawing of

¹See Application at 3.

²Id.

³Id.

⁴Id.

the proposed service area will be attached to the amended Rules and Regulations.⁵

III.

Consumer Advocate

The Consumer Advocate does not object to the commission's approval of Applicant's request for an expanded service area. It notes that the proposed expansion is the result of one new customer, and that Applicant has the capability of taking on the new service area without affecting the quality of service to its current customers. In addition, Applicant's proposed expanded service territory would not impact existing rates.⁶

IV.

Findings and Conclusions

The commission finds that Applicant is fit, willing, and able to provide the expanded wastewater and sewer service, and that the provision of this service is required by the present or future public convenience and necessity, pursuant to HRS § 269-7.5. The commission also finds that Applicant has satisfied the requirements of HAR § 6-61-75 with its filing, on or about March 27, 2003, of its unaudited financial statements. Accordingly, the commission concludes that Applicant's request for approval of its expanded service territory should be approved.

⁵See Application at 4.

⁶See Application at 3.

V.

Orders

THE COMMISSION ORDERS:


1. Applicant's application, filed on December 9, 2003, for commission approval of the expansion of Applicant's service territory to include wastewater and sewer service to the Property, is approved. Applicant's new service territory is reflected in Rule II of its Rules and Regulations, accompanied by Exhibit I.

2. Applicant shall promptly file with the commission its revised tariff sheets, incorporating its expanded service territory. The revised tariff sheets will take effect upon filing.

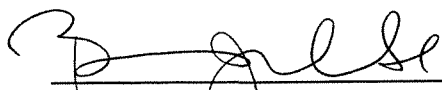
DONE at Honolulu, Hawaii this 21st day of May, 2004.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:


Benedyne S. Stone
Commission Counsel

By 
Janet E. Kawelo, Commissioner

03-0410.cs

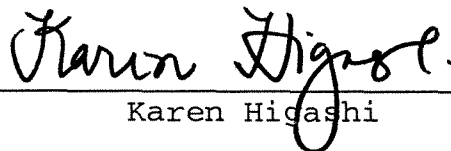
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 20996 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
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DATED: May 21, 2004