In the Matter of the Application of
HOH UTILITIES, LLC, Oabayashi
HAWAII CORPORATION, and
MARRIOTT OWNERSHIP RESORTS, INC.

for Approval for HOH Utilities, LLC
(b) Acquire the Interests of the
Poipu Water Reclamation Facility
Owned by Obayashi Hawaii Corporation and Marriott Ownership
Resorts, Inc.; (b) Modify its
Certificate of Public Convenience
and Necessity to Expand its Service
Territory; and (c) Establish
Initial Rates.

ORDER NO. 21114

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HOH UTILITIES, LLC, OBAYASHI HAWAII CORPORATION, and MARRIOTT OWNERSHIP RESORTS, INC.

for Approval for HOH Utilities, LLC)
to (a) Acquire the Interests of the)
Poipu Water Reclamation Facility
Owned by Obayashi Hawaii Corporation and Marriott Ownership Resorts, Inc.; (b) Modify its Certificate of Public Convenience and Necessity to Expand its Service Territory; and (c) Establish Initial Rates.

ORDER

I.

Introduction

By an application filed on May 6, 2004, HOH UTILITIES, LLC ("HOH"), OBAYASHI HAWAII CORPORATION ("OHC"), and MARRIOTT OWNERSHIP RESORTS, INC. ("MORI") (collectively, "Applicants") request that the commission approve: (a) the proposed transfer of OHC’s and MORI’s respective interests in the Poipu Water Reclamation Facility located at Poipu, Kauai, to HOH; (b) the expansion of HOH’s service territory to cover the geographic areas comprising the properties controlled or previously controlled by OHC and MORI; and (c) establish an initial rate for hotel properties. Applicants make the request in accordance with Hawaii Revised Statutes ("HRS") §§ 269-7.5 and 269-16.
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 docket, pursuant to HRS § 269-51.

II.

Discussion

The commission believes that the establishment of a procedural schedule at this juncture will aid in the efficient and timely disposition of this matter. Thus, we conclude that Applicants and the Consumer Advocate should meet informally to formulate the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order that shall be submitted for commission approval within 30 days from the date of this order. In the alternative, if the parties are unable to stipulate to such order, we conclude that each party shall submit a proposed prehearing order for the commission's consideration within 30 days from the date of this order.

III.

Orders

THE COMMISSION ORDERS that Applicants and the Consumer Advocate shall meet informally to formulate the issues, procedures, and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order. The stipulated prehearing order shall be submitted for commission approval within 30 days of this order. If Applicants and the Consumer Advocate are unable to stipulate to
such an order, each party shall submit a proposed prehearing order for the commission's consideration by the same date.

DONE at Honolulu, Hawaii this 12th day of July, 2004.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By
Carlito P. Caliboso, Chairman

By
Wayne H. Kimura, Commissioner

By
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Benedyne S. Stone
Commission Counsel

04-0094.cc
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21114 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
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DATED:  July 12, 2004

Karen Higashi