

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)  
PUUWAAWAA WATERWORKS, INC. )  
For Review and Approval of Rate )  
Increases; Revised Rate Schedules. )  

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DOCKET NO. 03-0369

PREHEARING ORDER NO. 21333

Filed Sept. 3, 2004  
At 2:30 o'clock P.M.

Karon Hignel.  
Chief Clerk of the Commission

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Docket No. 03-0369  
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PREHEARING ORDER

I.

INTRODUCTION

The only parties to this proceeding are PUUWAAWAA WATERWORKS, INC. ("PWI" or "Applicant") and the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"). PWI filed an application to increase its volumetric rate and change its rate schedule under Hawaii Revised Statutes ("HRS") § 269-16(b) on October 20, 2003, as amended on January 26, 2004 ("Amended Application").<sup>1</sup> The commission held a public hearing on the matters of PWI's Amended Application on April 15, 2004, in Kailua-Kona, Hawaii, under Chapter 269, HRS. The following issues, schedule of proceedings, and procedures, set forth in this Prehearing Order, shall govern the proceedings in this docket. Portions of this

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<sup>1</sup>The commission, in Order No. 20697, filed on November 28, 2003 ("Order No. 20697"), approved the parties stipulation filed on November 26, 2003, setting forth their agreement that the application completion date for this proceeding shall be determined on the filing of the Amended Application. See, Order No. 20697 at 2-3.

Prehearing Order are subject to change upon, among other things, a stipulation of the parties and commission approval of the stipulation.

II.

STATEMENT OF ISSUES

The issues in this case are:

1. Are the proposed tariffs, rates, and schedules just and reasonable?
2. Are the revenue forecasts for the test year ending December 31, 2004 ("Test Year") at present and proposed rates reasonable?
3. Are the projected operating expenses for the Test Year reasonable?
4. Is the requested rate of return fair?

III.

SCHEDULE OF PROCEEDINGS

The parties shall adhere to the following schedule:

- |   |                    |
|---|--------------------|
| 1. PWI's Application and Direct Testimony               | October 20, 2003   |
| 2. PWI's Amended Application and Direct Testimony       | January 26, 2004   |
| 3. Public Hearing<br>(Kailua-Kona, Hawaii)              | April 15, 2004     |
| 4. Evidentiary Hearing<br>(Honolulu, Hawaii)            | September 23, 2004 |
| 5. Simultaneous Briefs                                  | October 11, 2004   |
| 6. Simultaneous Rebuttal Briefs                         | October 14, 2004   |
| 7. Nine-Month Statutory Deadline<br>Under HRS 269-16(d) | October 25, 2004   |

IV.

WITNESSES

Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the hearing. Witnesses may have the workpapers used in preparing the evidence they sponsor available at the hearing.

The parties in this case should cooperate to accommodate the schedules of any mainland witnesses and should inform the commission in advance of any scheduling difficulties of mainland witnesses. If any party has any objection to scheduling a witness in advance of other witnesses, the party should make a timely objection to the commission.

V.

ORDER OF EXAMINATION

The order of examination for this proceeding will be conducted in compliance with Hawaii Administrative Rules ("HAR") § 6-61-31. Cross-examination of any witnesses shall be limited to one attorney for a party. The parties shall avoid duplicate or repetitious cross-examination. There shall be no friendly cross-examination.

Unless otherwise ordered by the commission, the parties shall jointly submit, not later than two (2) days before the evidentiary hearing, a list identifying all witnesses in the order of presentation and the subject matter of their testimony.

VI.

TESTIMONY AND EXHIBITS

All written testimony, including exhibits of witnesses, shall be submitted upon paper 8-1/2 x 11 inches in size, and shall be served on the dates designated in the Schedule of Proceedings.

Each party may follow its own numbering system for written testimony and exhibits, provided the numbering system utilized is consistent and clearly understandable. Each document of more than one (1) page shall be consecutively numbered.

The exhibit number and the docket number of the proceeding shall be shown in the upper right-hand corner of each page. Each exhibit shall be submitted on a separate page.

VII.

CHANGES TO TESTIMONY AND EXHIBITS

Any party introducing new matters to its written testimony and exhibits, whether by way of revisions or supplements shall attach a sworn affidavit explaining why these matters were not originally submitted. The commission may, if the explanation is unreasonable, reject the amended testimony or exhibits.

VIII.

MATTERS OF PUBLIC RECORD

Documents identified as matters of public record may be offered as evidence to avoid unnecessary proof and to facilitate these proceedings. The following documents may be identified as matters of public record: (1) public financial reports, tariffs,

and previously submitted written testimonies and exhibits filed with this commission and the Consumer Advocate; (2) published decisions issued by state and federal agencies; (3) published scientific or economic statistical data, material and textbooks, and technical or industrial journals; and (4) specified parts of the official record of previous proceedings of this commission.

The matter intended to be offered as evidence must be clearly identified by reference to the date and place of publication and the file or docket number. The identified document must be available for inspection by the parties. Parties shall have the right to explain, qualify or conduct cross-examination with respect to the identified material. The commission will rule on whether specified and identified material can be admitted into evidence when a party proffers such material for admission as evidence.

From time to time, the parties may enter into stipulations that material meeting the above criteria, or any portion of such material, may be introduced into evidence.

## IX.

### COPIES OF DOCUMENTS

Copies of testimony, exhibits, briefs and other documents shall be filed with the commission and served on each party as follows:

Commission	Original + 8 copies
Consumer Advocate	2 paper and one electronic copy
PWI	1 paper and one electronic copy

The parties shall provide copies of their respective filings to the opposing party on an expedited basis. This means that, where practicable, copies of the filings should be sent to the opposing party either by hand-delivery or via facsimile. In addition to the foregoing requirements, to the extent practicable or feasible, the parties shall provide copies of their filings via e-mail in a standard electronic format that is readily readable by the parties. If workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party shall not be required to convert such workpapers, documentation or exhibits to an electronic format.

X.

COMMUNICATIONS

Communications between the parties may either be through counsel or through the persons designated below:

Consumer Advocate      Cheryl S. Kikuta  
E-mail: [Cheryl.S.Kikuta@dcca.hawaii.gov](mailto:Cheryl.S.Kikuta@dcca.hawaii.gov)  
Facsimile Number: (808) 586-2780

Applicant                      Philip J. Leas, Esq.  
Elijah Yip, Esq.  
E-mail: [pleas@cades.com](mailto:pleas@cades.com)  
[eyip@cades.com](mailto:eyip@cades.com)  
Facsimile Number: (808) 540-5003

HAR § 6-61-29 of the commission's Rules of Practice and Procedures concerning ex parte communications is applicable to any communications between a party and the commission. However the parties may communicate with commission counsel through their own

counsel or designated official only as to matters of process and procedure.

All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party. All motions, supporting memoranda, positions statements, and the like shall also be served on the opposing party.

## XI.

### GENERAL

These procedures are consistent with the orderly conduct of this docket. Pursuant to HAR § 6-61-37, the Prehearing Order shall control the subsequent courses of the proceedings, unless modified at or prior to the hearing to prevent manifest injustice.

The commission reserves the right, due to the complexities of the case, to require workpapers (or other information) to be submitted for the record during or after hearing.




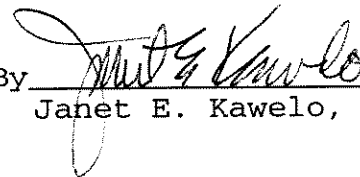
DONE at Honolulu, Hawaii

SEP 03 2004

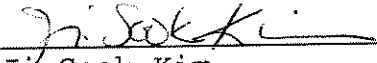
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
Wayne H. Kimura, Commissioner

By   
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

  
Ji Sook Kim  
Commission Counsel

03-0369.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Prehearing Order No. 21333 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

PHILIP J. LEAS, ESQ.  
ELIJAH YIP, ESQ.  
CADES SCHUTTE, LLP  
1000 Bishop Street, Suite 1400  
Honolulu, HI 96813-4216

F. NEWELL BOHNETT  
44-600 Kaneohe Bay Drive  
Kaneohe, HI 96744

  
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Karen Higashi

DATED: SEP 03 2004