

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
 MOKULEIA WATER, LLC and)
 MOKULEIA WATER USERS ASSOCIATION))
)
 Notice of Failure to Comply With)
 the Commission's Laws and Rules;)
 Order to Show Cause Why)
 Respondents Should Not be)
 Assessed a Civil Penalty.)
)
 _____)

DOCKET NO. 05-0009

ORDER NO. 21531

Filed Jan. 7, 2005
At 2:30 o'clock P.M.

Karun Hignol.
Chief Clerk of the Commission

RECEIVED
2005 JAN 10 A 8: 22
DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.
K. Higashi.

----- In the Matter of -----)

MOKULEIA WATER, LLC and)

MOKULEIA WATER USERS ASSOCIATION)

Notice of Failure to Comply With)

the Commission's Laws and Rules;)

Order to Show Cause Why)

Respondents Should Not be)

Assessed a Civil Penalty.)

Order No. 21531

By this order the commission orders the Respondents described below to appear and to show cause why Respondents should not be assessed a civil penalty for failure to comply with Hawaii Revised Statutes ("HRS") chapter 269 by operating as a public utility without a certificate of public convenience and necessity ("CPCN"), as further described in this order.

The DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate") is an

ex officio party to this docket, pursuant to HRS § 269-51 and Hawaii Administrative Rules ("HAR") § 6-61-62. In addition, the commission may by order direct the Consumer Advocate to appear in such proceeding, to carry out the purposes of section 269-15, HRS.

The commission regulates public utility companies, as defined in section 269-1, HRS. "No public utility, as defined in section 269-1, shall commence its business operations without first having obtained from the commission a certificate of public convenience and necessity." HRS § 269-7.5(a). The commission has not issued a CPCN to either of the Respondents to provide water service to the public.

On June 7, 2004, Michael W. Gibson, Esq., on behalf of the Mokuleia Beach Colony ("Complainant"), lodged an informal complaint against Respondents, pursuant to HAR § 6-61-66, stating that it was "very concerned that public safety is at risk due to the absence of [commission] oversight and regulation" of Respondents. In response to Mr. Gibson's letter, the commission opened informal complaint ("IC") number 04-89 to investigate the merits of Mokuleia Beach Colony's complaint. On July 12, 2004, the commission issued information requests to MW. MW responded on November 16, 2004.¹

Based upon the record contained in IC-04-89 and information in the commission's records, of which it takes

¹On November 5, 2004, the commission wrote to MW to advise that it had not yet received any response to the information requests issued on July 12, 2004.

official notice, pursuant to HAR § 6-61-48, the commission has reason to believe that Respondents are providing water service to the public as a public utility without a CPCN, in violation of HRS § 269-7.5(a).

HRS § 269-15 and HAR § 6-68-14 authorize the commission to institute proceedings that may take the form of an order to show cause to investigate alleged or suspected violations of any rule, regulation, order, or other requirement of the commission. HRS § 269-28 further authorizes the commission, after a hearing on the matter, to assess a civil penalty not to exceed \$25,000 for each day of violation, neglect, or failure to conform to or comply with chapter 269 or any lawful order of the commission. Accordingly, the commission may assess a civil penalty, among other things, for failure to comply with the legal requirements set forth above, unless Respondent is able to show cause why such assessment should not occur.

THE COMMISSION ORDERS:

1. Respondents shall appear at 465 South King Street, Room B3, Honolulu, Hawaii 96813, at 9:00 a.m., on March 23, 2005 to show cause why Respondents should not be assessed a civil penalty for failure to comply with the legal requirements set forth in this order.

2. Complainant shall appear at the aforementioned hearing to provide the commission with additional information relating to its informal complaint, if necessary.

3. Respondents and Complainant may be represented by counsel. If Respondents and Complainant do not retain counsel,

they may be represented at the hearing as follows: (a) an individual may appear on his or her own behalf; (b) a partner may represent a partnership; and (c) an officer or authorized employee of a corporation, trust, or association may represent the corporation, trust, or association.


4. Pursuant to HAR § 6-68-15, if Respondents fail to appear on the date and at the time and place designated in this order, the commission may assume that the facts alleged in the order are true, and if the facts establish liability, the commission:

- a. Will issue a final decision and order; and
- b. May impose the maximum amount of penalties and assessments allowed under the regulatory law.

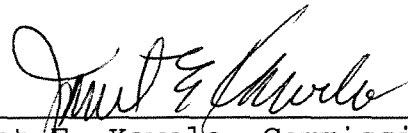
5. Respondents shall file on or before February 23, 2005 a statement of position or brief indicating the reasons why they believe they are not public utilities, as defined by HRS § 269-1.

DONE at Honolulu, Hawaii JAN - 7 2005.

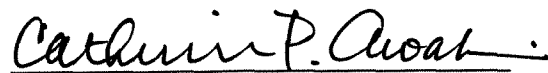
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Catherine P. Awakuni
Commission Counsel

MOKULEIA.ah

Ashford & Wriston

A LIMITED LIABILITY LAW PARTNERSHIP LLP

MICHAEL W. GIBSON
Direct: (808) 539-0483
Fax: (808) 533-4945
mgibson@awlaw.com

June 7, 2004

Public Utilities Commission
465 S. King Street, Room 105
Honolulu, Hawaii 96813

Re: Mokuleia Water System

Dear Commission:

The purpose of this letter is to make, on behalf of the Mokuleia Beach Colony, an informal complaint pursuant to Hawaii Administrative Rules Title 6, Chapter 61, Section 66. The Public Utilities Commission (PUC), in a letter dated November 7, 1996, stated that by a letter dated January 4, 1995, the commission's staff determined that "the MLC [Mokuleia Land Company] water system is a public utility, as defined by Hawaii Revised Statutes § 269-1." Counsel for MLC was requested at that time to file for a Certificate of Public Convenience and Necessity.

The Mokuleia Beach Colony has been receiving potable water from MLC water system since the 1960's when the Mokuleia Beach Colony was first developed. Although title to the land changed several times, there has not been any significant change in the status of water delivery until an entity called Mokuleia Water LLC was created in 2002. We have been advised that the successor in interest to MLC sold, by Bill of Sale to Mokuleia Water LLC, the water rights to the water system, including Well No. 3410-01, an elevated water tank, water pump, transmission lines and other facilities within the MLC property and outside the property. In the same agreement Mokuleia Water LLC made a commitment to furnish the Mokuleia Water Users Association with potable water. Recently, a receiver has been placed in control of the former MLC property by the State of Washington Insurance Commissioner. The firm of Douglas Wilson Companies is acting as property agent for the receiver. Philip F. Cutting is the employee of Douglas Wilson Companies managing the ranch.

Mokuleia Beach Colony is very concerned that public safety is at risk due to the absence of PUC oversight and regulation. There is a risk that, in the event of a major problem with the water system, there is no entity with clear responsibility and the financial resources to fix the problem promptly. The Mokuleia Beach Colony respectfully requests that the PUC confirm that the water system is a regulated system and require that the landowner, who is believed to be Western United Life Assurance Company, or the receiver file an Application for a Certificate of Public Convenience and Necessity and assume responsibility for the water system.

Very truly yours,
ASHFORD & WRISTON
A LIMITED LIABILITY LAW PARTNERSHIP LLP

By 
Michael W. Gibson

MWG:shp

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PUBLIC UTILITIES
COMMISSION
JUN 8 10 25 AM '04
FILED

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
465 S. KING STREET, #103
HONOLULU, HAWAII 96813
July 12, 2004

CARLITO P. CALIBOSO
CHAIRMAN

WAYNE H. KIMURA
COMMISSIONER

JANET E. KAWELO
COMMISSIONER

Stephen D. Tom, Esq.
White & Tom
820 Mililani Street, Suite 711
Honolulu, Hawaii 96813-2972

Dear Mr. Tom:

Re: Complaint Against Mokuleia Water, LLC
Informal Complaint No. IC-04-089

Michael W. Gibson, Esq., on behalf of Mokuleia Beach Colony, filed an informal complaint with the Public Utilities Commission ("Commission") on June 7, 2004. In his complaint (copy enclosed), Mr. Gibson alleges that Mokuleia Water, LLC ("Mokuleia") is a public utility whose water system should be regulated by the Commission to ensure that the community it serves is provided with safe, reliable, and continuous potable water.

Please assist the Commission in responding to Mr. Gibson's complaint by providing responses to the enclosed information requests. Please reference Informal Complaint No. IC-04-089 in responding to Mr. Gibson's complaint.

If you have any questions regarding Mr. Gibson's complaint, please call me at (808) 586-3755 or e-mail me at Paul.M.Nakayama@hawaii.gov. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Paul M. Nakayama".

Paul M. Nakayama
Researcher

PMN:eh

Enclosures: Complaint
Information Requests

c: Michael W. Gibson, Esq. (Information Requests)
Consumer Advocate (Complaint, Information Requests)
Douglas Wilson Companies (Complaint)
Owen H. Matsunaga, Esq. (Complaint)
Western United Life Assurance Company (Complaint)

MOKULEIA WATER LLC

Informal Complaint No. IC-04-089

Information Requests

- PUC-IR-1 Please provide a detailed balance sheet of Mokuleia as of June 30, 2004.
- PUC-IR-2 Please provide a detailed income statement of Mokuleia for the six (6) months ending June 30, 2004.
- PUC-IR-3 Please provide a current list of all end users (affiliated and unaffiliated) connected to Mokuleia's water system makai of Farrington Highway that are receiving free water service.
- PUC-IR-4 Please provide a current list of all end users connected to Mokuleia's water system makai of Farrington Highway that are not members of the Mokuleia Water Users Association (billed directly from Mokuleia).
- PUC-IR-5 Please provide a current list of all end users (affiliated and unaffiliated) connected to Mokuleia's water system mauka of Farrington Highway that are receiving free water service.
- PUC-IR-6 Please provide a current list of all end users (affiliated and unaffiliated) connected to Mokuleia's water system mauka of Farrington Highway that are billed directly from Mokuleia.
- PUC-IR-7 Please provide the rate charged each end user connected to Mokuleia's system makai of Farrington Highway.
- PUC-IR-8 Please provide the rate charged each end user connected to Mokuleia's system mauka of Farrington Highway.
- PUC-IR-9 Please provide a detailed explanation of any commitments or agreements made by Mokuleia to provide continuous potable water supply to all end users, including, but not limited to, bulk water sales to the Mokuleia Water Users Association ("Association").

- PUC-IR-10 Reference: Michael W. Gibson's letter dated June 4, 2004. Please address Mr. Gibson's statement that "in the event of a major problem with the water system, there is no entity with clear responsibility and the financial resources to fix the problem promptly."
- PUC-IR-11 Please update the Commission on the current status of the negotiations with the Board of Water Supply of the City and County of Honolulu to extend its transmission line to service the end users in the Mokuleia area.

Ashford & Wriston

A LIMITED LIABILITY LAW PARTNERSHIP LLP

FILED

MICHAEL W. GIBSON

Direct: (808) 539-0483

Fax: (808) 533-4945

mgibson@awlaw.com

JUL 19 12 17 PM '04

July 16, 2004

Public Utilities Commission
465 S. King Street, Room 103
Honolulu, Hawaii 96813

PUBLIC UTILITIES
COMMISSION

Re: Mokuleia Water System, Information Complaint No. IC-04-089

Dear Commission:

I have been asked by the Board of Directors of the Mokuleia Beach Colony to inform you of a public safety problem which recently occurred with the captioned water system.

Between Thursday, July 8, 2004, and Sunday July 11, 2004, there was no water available for two hours on Thursday, two hours during the day on Friday plus all night Friday and Saturday and once in the mid-morning and once in the mid-afternoon on Sunday.

Needless to say these incidents presented a potential safety hazard not only to my clients but to all the residents as well as the church camp who are all supposed to get water from the system.

We appreciate what is being done to respond to the informal complaint and these incidents of water outages point out the seriousness of the situation. It will be in everyone's best interest to have the system operating in a manner that does not expose the users and responsible parties to legal liability and risk of death, personal injury and property damage.

Very truly yours,
ASHFORD & WRISTON
A LIMITED LIABILITY LAW PARTNERSHIP LLP

By 
Michael W. Gibson

MWG:shp

cc: Richard John (via email only)
Paul M. Nakayama
Owen H. Matsunaga, Esq.
Stephen D. Tom, Esq.
Bettina W. J. Lum, Esq.
Gino L. Gabrio, Esq.
Robert J. Smolenski, Esq.

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Ashford & Wriston

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Mg
C: PN
MICHAEL W. GIBSON

Direct: (808) 539-0483

Fax: (808) 533-4945

mgibson@awlaw.com

August 4, 2004

VIA FACSIMILE: 537-1420
& REGULAR MAIL

Owen H. Matsunaga, Esq.
Gerson & Hieneman, LLC
American Savings Bank Tower
1001 Bishop Street
Honolulu, Hawaii 96813

PUBLIC UTILITIES
COMMISSION

2004 AUG - 5 A 10: 38

FILED

Re: Mokuleia Water System, Informal Complaint No. IC-04-089

Dear Owen:

As requested at the meeting with the Board of Water supply yesterday, please provide me with the names and addresses of all the members of the Mokuleia Water Users Association. Also, send me a list of the officers and directors of the Association. Finally, please provide me with copies of the final, signed agreements between Mokuleia Water, LLC and Mokuleia Water Users Association.

As you know, we previously requested the names of the members and the final signed agreements, but never received them, so I would appreciate your arranging for the foregoing to be provided to me by August 6, 2004.

Very truly yours,
ASHFORD & WRISTON
A LIMITED LIABILITY LAW PARTNERSHIP LLP

By 
Michael W. Gibson

MWG:shp

cc: Richard John (via email only)
Christopher I. L. Parsons, Esq. (via facsimile 585-0336 and regular mail)
Catherine P. Awakuni, Esq. (via facsimile 586-2066 and regular mail)

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LINDA LINGLE
GOVERNOR



CARLITO P. CALIBOSO
CHAIRMAN

WAYNE H. KIMURA
COMMISSIONER

JANET E. KAWELO
COMMISSIONER

STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
465 S. KING STREET, #103
HONOLULU, HAWAII 96813
November 5, 2004

Stephen D. Tom, Esq.
White & Tom
820 Mililani Street, Suite 711
Honolulu, Hawaii 96813-2972

Re: Complaint Against Mokuleia Water, LLC
Informal Complaint No. IC-04-089

Dear Mr. Tom:

A review of the Public Utilities Commission's ("Commission") records reveals that you have not responded to the Commission's request for information dated July 12, 2004, relating to a complaint against Mokuleia Water, LLC.

Please be advised that pursuant to Hawaii Revised Statutes ("HRS") §§ 269-7(b) and 269-8, every public utility or person acting in the capacity of or engaging in the business of a public utility within the State is subject to investigation and is required to furnish any information requested by the Commission.

Accordingly, you are advised that failure to respond to the Commission's request for information by November 15, 2004, may result in the issuance of a citation in the amount of \$25,000 for every day that the violation continues, pursuant to HRS § 269-28.

If you have any questions, please call me at (808) 586-3755 or e-mail me at Paul.M.Nakayama@hawaii.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul M. Nakayama".
Paul M. Nakayama
Enforcement Officer

PMN:eh

WHITE & TOM

ATTORNEYS AT LAW
A LAW CORPORATION

820 MILILANI STREET, SUITE 711
HONOLULU, HAWAII 96813-2937
TELEPHONE: (808) 547-5151
FAX: (808) 599-4517
E-MAIL: meather@aol.com

EMMET WHITE *
STEPHEN D. TOM

*RETIRED

MARIE E. RILEY
AIMEE H. OYASATO

November 12, 2004

Mr. Paul M. Nakayama
Enforcement Officer
State of Hawaii
Public Utilities Commission
Department of Budget and Finance
465 King Street, #103
Honolulu, Hawaii 96813

FILED
2004 NOV 15 A 10:27
PUBLIC UTILITIES
COMMISSION

Re: Complaint Against Mokuleia Water, LLC
Informal Complaint No. IC-04-089

Dear Mr. Nakayama:

On behalf of Mokuleia Water, LLC ("MW") we are responding to Informal Complaint No. IC-04-089 and to your letter dated November 5, 2004. We apologize for the delay in responding to the Commission and assure you that such delay did not arise from any disrespect for the Commission's activities or from any attempt to delay its informal investigation. Rather, the delay arose from MW's inability to obtain and review its own records.

MW was put in a difficult position in or about March 2004 when the landowner, Western United Life Assurance Company, abruptly dismissed the managing agent which had handled Dillingham Ranch matters as well as Mokuleia Water, LLC, matters. Until that date, all billing and collection for the bulk water sale to Mokuleia Water Users Association had been handled by the management company, Dillingham Ranch Management. As of February 2004, a new management firm retained by the landowner took over the records. However, MW assumed direct control over the operation and management of the water system. It has been very time-consuming for MW to first obtain the records and then to differentiate MW expenses from other expenses also handled by Dillingham Ranch Management and its successor. Only now is MW in a position to respond as fully as it can to the Commission's request for information. That response is attached to this letter.

It will be apparent from viewing the response that MW does not have responsibility or information regarding many of the billing activities referenced in your request. All billing to and collection from end users of the water system are the responsibility of Mokuleia Water Users Association, with which MW has an agreement to sell bulk water. The Water Users Association is the only person or entity to which MW sells water.

Mr. Paul M. Nakayama
November 12, 2004
Page 2

Mokuleia Water, LLC, has the responsibility of delivering water to the Water Users Association in an amount sufficient to meet its needs and the responsibility of maintaining the water delivery system to the point where it connects to the Water Users Association line. MW takes this responsibility very seriously and has invested heavily in improving the system. In addition, MW has a service agreement in place with Aqua Engineers, Inc., for operation and maintenance of the water system, and it is currently negotiating a contract with Aqua Engineers or another management firm to take over the meter reading, billing, collection and deposit of payments for bulk water sale to the Water Users Association.

Please call or write if there are remaining questions or if we can assist the Commission in any further way with its investigation.

Very truly yours,

WHITE & TOM, ATTORNEYS AT LAW
A LAW CORPORATION

By Marie E. Riley
MARIE E. RILEY

MER:jn
Enclosures

The following is the response of Mokuleia Water, LLC, to Informal Complaint No. IC-04-089:

- PUC-IR-1 Attached please find a twelve-month Statement of Assets, Liabilities & Equity Assets.
- PUC-IR-2 Attached please find a twelve-month Statement of Income & Expenses and Statement of Assets, Liabilities & Equity Assets.
- PUC-IR-3 Moluleia Water Users Association ("MWUA") would have this information. MWUA receives bulk water from MW at a point mauka of Farrington Highway and delivers it thereafter to persons and entities through a distribution system located makai of Farrington Highway.
- PUC-IR-4 MW does not own or operate a water system that is located makai of Farrington Highway. That makai water system was conveyed to MWUA on July 2, 2003. MW does not bill any end users located makai of Farrington Highway. That is done by MWUA.
- PUC-IR-5 Dillingham Ranch is receiving free water from MW's water system. Note that Western United Life Assurance Company ("WULA") owns the land upon which MW's well is located.
- PUC-IR-6 Dillingham Ranch is the only end user connected to MW's water system mauka of Farrington Highway. MW is not billing Dillingham Ranch, the landowner.
- PUC-IR-7 The rate charged to MWUA, which is the only user of MW water located makai of Farrington Highway, is \$1.06 per 1,000 gallons of water. The price may be adjusted annually on January 1 of each calendar year, pursuant to agreement between MW and MWUA; however, MW will in no circumstances charge MWUA more than 60% of the lowest monthly per unit charge for single family residential service imposed by the Board of Water Supply of the City & County of Honolulu (which in June 2003 was \$1.77 per 1,000 gallons of water).
- PUC-IR-8 No charges are being assessed to an end user connected to MW's system mauka of Farrington Highway.
- PUC-IR-9 MW is contractually committed to provide bulk potable water to only MWUA in an amount sufficient to supply the requirements of its current and reasonably anticipated future water users until such time as the Board of Water Supply extends its lines to serve the area. This commitment is set forth in that Mokuleia Water Facilities Transfer and Development Agreement between MW and MWUA, dated July 2, 2003.

The commitment is also set forth in that certain Water Supply Agreement, effective as of July 2, 2003, between MW and MWUA, under which agreement, MW agreed to provide sufficient potable water necessary to supply the full requirements of the current and reasonably anticipated future water users of MWUA. Under the agreement, MWUA was free to obtain additional or substitute supplies of water from alternate sources. In the agreement, MW agreed that the water provided would meet all applicable federal, state, and local laws, rules, ordinances and standards governing water quality and purity. MW agreed to take all necessary measures to ensure such water quality, including, without limitation, operation, maintenance, inspection, repair, sampling, analyzing, testing and monitoring of its water facilities and the water supplied to MWUA.

PUC-IR-10 MW has the clear responsibility to fix any problem with the water facilities mauka of Farrington Highway. It does not have the responsibility to maintain water lines makai of Farrington Highway, which responsibility belongs to MWUA. MW receives income from bulk water sale to MWUA, and MWUA receives income from the sale of water to its members. MW has engaged Aqua Engineers to operate and maintain the water system, and it is close to finalizing a contract with a management firm to take over the meter reading, billing, collection and deposit of payments for bulk water sale to the Water Users Association. Additional capitalization, if required, will come from its member, Metropolitan Mortgage & Securities, Inc., as with any other limited liability company.

PUC-IR-11 We understand that, as promised at the meeting held on August 3, 2004, the BWS has approached the Department of Transportation regarding a combined effort to bring water service to the area. We have heard nothing subsequently regarding the status of this approach.

Nor have we heard anything as a follow-up to BWS's promised approach to the federal government regarding funds to extend the transmission lines to Dillingham Field, where a Stryker Brigade is scheduled to begin operations.

We do know that the MWUA has met with a member of the City Council to learn whether City & County Vision Funds are available to pay for extension of the BWS lines.

MOKULEIA WATER LLC
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2004

STATEMENT OF INCOME & EXPENSES	
BULK WATER SALE-MOKULEIA WATER USERS ASSN	15,417.50
EXPENSES	
REPAIRS & MAINTENANCE	
AQUA ENGINEERS	14,474.42
ITC WATER MANAGEMENT	281.25
UTILITIES	3,478.93
SUBTOTAL - EXPENSES	<u>18,234.60</u>
NET INCOME (LOSS)	<u>(2,817.10)</u>

STATEMENT OF ASSETS, LIABILITIES & EQUITY	
ASSETS	
CASH	0.00
ASSETS & ACCUMULATED DEPRECIATION	
WATER INFRASTRUCTURE	6,449.68
TOTAL ASSETS	<u>6,449.68</u>
LIABILITIES & EQUITY	
ADVANCES FROM MEMBER	9,266.78
INCOME (LOSS)-CURRENT	(2,817.10)
TOTAL LIABILITIES & EQUITY	<u>6,449.68</u>

Ashford & Wriston

A LIMITED LIABILITY LAW PARTNERSHIP LLP

MICHAEL W. GIBSON

Direct: (808) 539-0483

Fax: (808) 533-4945

mgibson@awlaw.com

December 20, 2004

Catherine P. Awakuni, Esq.
Commission Counsel
Public Utilities Commission
465 South King Street, Room 103
Honolulu, HI 96813

FILED
2004 DEC 21 P 12:04
PUBLIC UTILITIES
COMMISSION

Re: Mokuleia Water System, Informal Complaint No 1C-04-89

Dear Catherine:

On June 7, 2004, on behalf of Mokuleia Beach Colony, I filed an informal complaint with the Public Utilities Commission ("PUC"). On July 12, 2004, Paul Nakayama of the PUC wrote Stephen D. Tom requesting that he provide a response to my complaint, detailed financial information and other relevant information. On numerous occasions, I have asked to be provided with Mr. Tom's response and any written communications relating to the informal complaint. To date, I have not received a single thing.

In addition to corresponding with the PUC, I have attempted to get information from counsel for the Mokuleia Water Users Association. That has proved to be equally unproductive. It has been brought to my attention that the Mokuleia Waters Users Association is required by law to have annual meetings. I find no evidence that they have met that requirement.

My clients and I are becoming very concerned about the total failure to provide us with information about both the informal complaint and the "water provider", while the property where the well and delivery system is located is the subject of receivership, foreclosure and rumored sales.

Your prompt attention to processing the informal complaint, and informing me of the status of the situation would be greatly appreciated.

Very truly yours,
ASHFORD & WRISTON
A LIMITED LIABILITY LAW PARTNERSHIP LLP


Michael W. Gibson

MWG:shp

cc: Rick John (via email only)
Gino L. Gabrio, Esq.
Robert J. Smolenski, Esq.

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www.ashfordwriston.com

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21531 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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DATED: January 7, 2005