

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
VERIZON HAWAII INC.)
For Approval of Changes to its)
Tariff and Issuance of a)
Declaratory Order Regarding a)
Custom Service Arrangement.)

DOCKET NO. 05-0070

ORDER NO. 21753

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

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RECEIVED

Filed April 15, 2005
At 2:30 o'clock P.M.

Karen Higashi
Chief Clerk of the Commission

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

K. Higashi

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Docket No. 05-0070
Order No. 21753

ORDER

By this Order, the commission approves the withdrawal of VERIZON HAWAII INC.'S ("Verizon Hawaii's") Transmittal No. 05-13 ("Transmittal") and closes this docket.

I. Background

Verizon Hawaii filed its Transmittal on March 17, 2005, requesting the commission to: (1) approve the establishment of non-standard terms and conditions for its Corporate Rewards program while retaining standard tariff rates for Washington Mutual Inc. ("WaMu"); and (2) issue a declaratory ruling that the customer requirements set forth in the Master Communications Services Agreement (the "MCSA") (including, but not limited to the multi-state revenue commitments) constitutes a reasonable rate and service classification (referred to as the "National TBR Class") for the purposes of the non-discrimination obligation of Hawaii Administrative Rules ("HAR") §§ 6-80-37 and 6-80-87(1), and that Verizon Hawaii would

have no obligation to provide the special terms and conditions set forth in the MCSA to any customers that do not fall within the National TBR Class. The Transmittal has an effective date of April 18, 2005. Verizon Hawaii makes its requests under Hawaii Revised Statutes § 269-16 and HAR §§ 6-61-111, 6-61-159, and 6-61-160.

Verizon Hawaii served the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate") with copies of the Transmittal. On March 30, 2005, the Consumer Advocate served Verizon Hawaii with information requests ("IRs").

Subsequently, on April 12, 2005, Verizon Hawaii filed a letter withdrawing its Transmittal and requesting that we close this docket.

II. Verizon Hawaii's Withdrawal

The Transmittal indicates that Verizon Hawaii will "no longer be involved in offering the non-standard terms and conditions to WaMu in the event that the [c]ommission approves the pending" transfer of control of Verizon Hawaii and such transaction closes.¹ This statement refers to Section 2 of the MCSA which, among other things, states that the MCSA shall terminate with respect to any and all services provided in Hawaii upon close of the transfer of control of Verizon Hawaii. In its April 12, 2005 Letter, Verizon Hawaii points out that the commission conditionally approved the transfer of control of

¹See, Transmittal at 4.

Verizon Hawaii.² Verizon Hawaii also points out that Applicants of Docket No. 04-0140 announced that they had agreed to comply with the conditions of Decision and Order No. 21696 on April 8, 2005. Verizon Hawaii states that the agreement for the provision of service to WaMu in Hawaii as described in the Transmittal will be "nullified" since the transfer of control of Verizon Hawaii is expected to occur in early May 2005.

III. Discussion

Upon review, we find Verizon Hawaii's withdrawal of the Transmittal, under the circumstances described above, to be reasonable and appropriate. Accordingly, we conclude that Verizon Hawaii's withdrawal of the Transmittal should be approved and that this docket should be closed.

IV. Orders


THE COMMISSION ORDERS:


1. Verizon Hawaii's withdrawal of its Transmittal No. 05-13, filed on April 12, 2005, is approved.
2. This docket is closed.

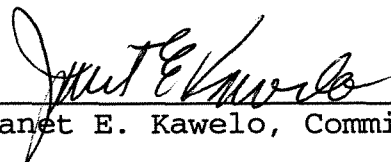
²On June 21, 2004, Paradise MergerSub, Inc., now known as Hawaiian Telcom Communications, Inc.; GTE Corporation; Verizon Hawaii; Bell Atlantic Communications, Inc., dba Verizon Long Distance; and Verizon Select Services Inc. (collectively referred to as "Applicants") jointly filed an application requesting commission approval of the proposed transfer of Verizon Hawaii and certain other assets, and the financing obligations associated with the transfer. Applicants' proposed transfer of control became a matter of Docket No. 04-0140. By Decision and Order No. 21696, filed on March 16, 2005, in Docket No. 04-0140, the commission conditionally approved Applicants' transfer of control.

DONE at Honolulu, Hawaii APR 15 2005

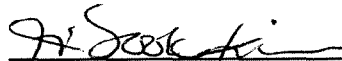
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Ji Sook Kim
Commission Counsel

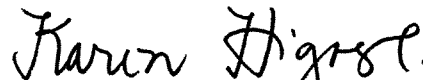
05-0070.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21753 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

JOEL K. MATSUNAGA
VICE PRESIDENT-EXTERNAL AFFAIRS
VERIZON HAWAII INC.
P. O. Box 2200
Honolulu, HI 96841



Karen Higashi

DATED: APR 15 2005