BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)

HAWAIIAN TELCOM SERVICES
COMPANY, INC.)

For a Certificate of Registration.)

DOCKET NO. 05-0097

DECISION AND ORDER NO. 21892

Filed June 24, 2005
At 2 o'clock P.M.

Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.
In the Matter of the Application of)                                  Docket No. 05-0097
)                                                               Decision and Order No. 21892
HAWAIIAN TELCOM SERVICES COMPANY, INC. )
) For a Certificate of Registration.)

DECISION AND ORDER

By this Decision and Order, the commission grants HAWAIIAN TELCOM SERVICES COMPANY, INC. ("Applicant") a certificate of registration ("COR") to provide intrastate wireless telecommunications services on a resold basis in the State of Hawaii ("State"), subject to certain conditions stated below.

I.

Introduction

Applicant requests a certificate of registration ("COR") to provide commercial mobile radio services ("CMRS") (aka, intrastate wireless telecommunications services) on a resold basis in the State.¹ Applicant makes its request pursuant to Order No. 21324, filed on August 27, 2004, in Docket No. 03-0186 ("Order No. 21324") and Hawaii Administrative Rules ("HAR") §§ 6-80-17(d) and 6-80-18(b).

¹Applicant's application, filed on April 21, 2005 ("Application").
Two (2) copies of the Application were served on the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"). On April 27, 2005, the Consumer Advocate submitted its Statement of Position informing the commission that it does not object to the approval of the Application.

II.

Description of Applicant and its Proposed Services

Applicant is a Delaware corporation with its principal place of business in Honolulu, Hawaii. Applicant is a wholly-owned subsidiary of Hawaiian Telcom Communications, Inc. Currently, Applicant is authorized to operate as a reseller of intrastate wireline telecommunications services in the State.²

Applicant now intends to provide intrastate wireless telecommunications services in the State on a resold basis.³ Applicant will re-brand its intrastate resold wireless telecommunications services under the "Hawaiian Telcom" name.

²See, Decision and Order No. 21696, filed on March 16, 2005, in Docket No. 04-0140.

³In the Application, Applicant states that "it intends to provide wireless PCS/cellular (CMRS) services as a non-facilities based service provider." Application at 4. Accordingly, as a non-facilities based service provider, we will treat the Application as a request for a COR to provide intrastate resold wireless telecommunications services as a cellular reseller. See, Order No. 21324.
III. Discussion

Upon review of Applicant's Application for a COR, the commission finds that Applicant has fulfilled the requirements of HAR § 6-80-17(d), to the extent such requirements were not waived in accordance with Decision and Order No. 20890, filed on April 7, 2004, in Docket No. 03-0186 ("Decision and Order No. 20890"), as corrected by Order No. 21324. Consistent with Decision and Order No. 20890, the commission also finds, at this juncture, that affording sufficient and appropriate regulatory flexibility to entities in the wireless industry including wireless resellers will assist in increasing competition and promoting investment in the wireless telecommunications market in Hawaii. For these reasons, the commission concludes that Applicant should be granted a COR to provide intrastate wireless telecommunications services on a resold basis in the State.

IV. Orders

THE COMMISSION ORDERS:

1. Applicant is granted a COR to provide intrastate wireless telecommunications services on a resold basis in the State.

2. As a holder of a COR, Applicant shall be subject to all applicable provisions of Hawaii Revised Statutes ("HRS") chapter 269, HAR chapters 6-80, 6-81, and 6-82, any other
applicable State law and commission rules, and any orders that the commission may issue from time to time.

3. Consistent with Decision and Order No. 20890, Applicant is not required to file tariffs in accordance with HAR §§ 6-80-39 and 6-80-40, provided that Applicant maintains and promptly provides updated information regarding their service plans (with terms and conditions) and the appropriate contact information (i.e., designated carrier representative) upon the commission’s, the Consumer Advocate’s or consumer’s request. Such updated information shall also be placed within a reasonable time period on Applicant’s website, if any.

4. Within thirty (30) days from the date of this Decision and Order, Applicant shall pay a public utility fee of $60, pursuant to HRS § 269-30. The business check shall be made payable to the Hawaii Public Utilities Commission, and sent to the commission’s office at 465 S. King Street #103, Honolulu, HI, 96813.

5. Within thirty (30) days from the date of this Decision and Order, Applicant shall also pay a telecommunications relay service (“TRS”) contribution of $10.00, established pursuant to: (A) Act 50, adopted on May 7, 2003 (codified at HRS § 269-16.6); and (B) Order No. 21049, filed on June 10, 2004, in Docket No. 04-0070. (A copy of Order No. 21049 is attached hereto as Exhibit 1.) The business check shall be made payable to "Hawaii TRS", and sent to the Hawaii TRS Administrator, NECA Services, Inc., 80 S. Jefferson Road, Whippany, NJ 07981. Written proof of payment shall be sent to the commission.
6. Failure to promptly comply with the requirements set forth in paragraphs 2 to 5 above, may constitute cause to void this Decision and Order, and may result in further regulatory action, as authorized by law.

7. This docket is closed unless otherwise ordered by the commission.

DONE at Honolulu, Hawaii JUN 24 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:

Kris N. Nakagawa
Commission Counsel
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

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

PUBLIC UTILITIES COMMISSION ) DOCKET NO. 04-0070

Instituting an Investigation )
into the Carrier Contribution )
Factor and Telecommunications )
Relay Services Fund Size for )
the period of July 1, 2004 )
through June 30, 2005. )

ORDER NO. 21049

Filed June 10, 2004
At 2:01 o’clock P.M.

Chief Clerk of the Commission

Exhibit 1
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of

PUBLIC UTILITIES COMMISSION

Docket No. 04-0070

Instituting an Investigation
into the Carrier Contribution
Factor and Telecommunications
Relay Services Fund Size for
the period of July 1, 2004
through June 30, 2005.

Decision and Order No. 21049

DECISION AND ORDER

I.

Background

By Order No. 20904, filed on April 15, 2004, the
commission initiated the instant proceeding to examine whether
to modify the Telecommunications Relay Services ("TRS") carrier
contribution factor and fund size for the period July 1, 2004
to June 30, 2005, established in accordance with Order No. 20193,
filed on May 23, 2003, in Docket No. 03-0058
("Order No. 20193"). 1 Specifically, the commission proposes to
modify the carrier contribution factor from 0.00375 to 0.0010
effective on July 1, 2004 ("Proposed Carrier Contribution
Factor"). The proposed carrier contribution factor of 0.0010 is
expected to remain in effect through June 30, 2005.

1In Docket No. 03-0058, the commission selected SPRINT
COMMUNICATIONS CO., LP. ("Sprint") as the exclusive provider of
intrastate TRS within the State of Hawaii ("State of Hawaii")
from July 1, 2003 to June 30, 2006. See Decision and
Order No. 20163, filed on April 30 2003. Order No. 20193, filed
on May 23, 2003, in Docket No. 03-0058.
The commission also proposes to keep the projected TRS fund size, as of July 1, 2004, at $680,000 ("Proposed TRS Fund Size").

The commission served copies of Order No. 20904 on The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate") and Sprint, the parties to this proceeding, and mailed copies of Order No. 20904 to all chartered, certificated and registered telecommunications carriers, except payphone providers, at their mailing addresses on file with the commission. Written comments to the proposals were accepted until May 14, 2004. As of the date of this order, only the Consumer Advocate filed written comments on the commission's proposals.²

II.

Background

On May 23, 2003, the commission issued Order No. 20193, in Docket No. 03-0058 which, among other things, ordered: (1) every telecommunications carrier providing intrastate telecommunications service in the State of Hawaii to contract with Sprint for the provision of telecommunications relay service, for the period beginning July 1, 2003 to June 30, 2006; (2) every carrier providing intrastate telecommunications service in Hawaii shall contribute to the TRS fund on the basis of gross operating revenues from the retail provision of intrastate telecommunications services during the preceding calendar year,

²Consumer Advocate's Statement of Position, filed on May 7, 2004.
consistent with the terms of Order No. 20193; (3) contributors' contribution to the TRS fund shall be the product of their gross operating revenue from the retail provision of intrastate telecommunications services during the preceding calendar year, which is subject to investigation by the commission, and a contribution factor determined annually by the commission, consistent with the terms of Order No. 20193; and (4) the annual TRS funding period commences July 1 and ends June 30 of each year.

III.
Discussion

A.
Consumer Advocate's Statement of Position

The Consumer Advocate states that it has no objections to the Commission's proposed carrier contribution factor and the fund size. However, in order to monitor the sufficiency of the fund size and protect against degradation of service, the Consumer Advocate recommends that Sprint should be required to provide TRS reports on a quarterly basis so that the commission may be better and more quickly able to determine whether changes to the contribution factor are warranted. Specifically, the Consumer Advocate recommends that the reports contain: (1) actual number of TRS calls offered by month; (2) actual number of abandoned calls by month; (3) average speed of answer

3The commission specifically excluded payphone providers from contributing to the TRS fund.
in seconds of TRS calls by month; (4) average work time in
seconds by month; (5) number of TRS complaints filed either
verbally or in writing by month; and (6) detailed data on actual
revenues, expenses and investments for TRS services in Hawaii.

B. Reporting Requirements

Upon review, the commission declines to adopt the
Consumer Advocate's recommendation relating to additional
reporting requirements primarily because we find these
requirements are unnecessary and redundant.

Pursuant to the terms and conditions of the Request for
Service ("RFS") in Docket No. 03-0058, which governs the
commission's arrangement with Sprint for the provisioning of TRS,
Sprint is required to submit the following reports:

a. Section 4.5 (Payment): "No more than fifteen days after
the close of each month, the service provider will
submit a report [i.e., billing statement] to the
Commission detailing the previous month's work.
Then, the Commission, within thirty (30) days of
receipt of said report, will authorize or determine a
date the provider is authorized to withdraw payment
from the TRS account or fund. Total reimbursement
shall not exceed the total fixed bid per minute price."

b. Section 4.13 (Reports): "[A] monthly report with the
monthly billing statement which will enable the
Commission to monitor whether the Relay service is
meeting each of the FCC and State performance
standards. The report shall also include summary
information on complaints, when appropriate.
When applicable, the monthly report should include
information on any hardware procedural or
service enhancements made to the Relay service.
After receiving authorization from the Commission, the
selected service provider may request designation of
certain written reports as proprietary, consistent with
the Commission's practice and procedures."
In compliance with Section 4.5 of the RFS, NECA Services, Inc. ("NECA") files on a monthly basis: (1) a Statement of Fund Performance; and (2) a Delinquent Report. The information includes total fund revenues collected from telecommunications carriers, disbursements to Sprint as authorized by the commission, fund balance as of the end of the previous month, and delinquent carriers that have not paid their TRS fund contributions.

Furthermore, in compliance with Section 4.13 of the RFS, Sprint provides comprehensive, detailed information on minutes of use; traffic reporting statistics, including number of calls offered and abandoned, average speed of answer, and average work time; speech-to-speech statistics; and CapTel results. The billing statement also includes summary reporting of customer complaints and outreach efforts.

The commission notes that the Consumer Advocate has not been copied on any of these reports previously filed with the commission and we hereinafter will require Sprint to copy the Consumer Advocate on these reports going forward. Sprint’s existing reports contain much of the information the Consumer Advocate appears to be seeking. The only type of information not included in Sprint’s reports is specific investment information, however, we do not believe that that information needs to be included in the compliance reports.

As Sprint has already been doing, it should continue to keep the commission informed, and seek our approval as appropriate, on new investments it plans to make to its network or operations that are expected to impact TRS in Hawaii. Sprint should also keep the Consumer Advocate informed of these new investments.
C.

**Carrier Contribution Factor and Fund Size**

Upon further review, the commission finds it reasonable to adopt the commission's proposals to modify the existing carrier contribution factor and fund size in their entirety as stated in Order No. 20904. In particular, the carrier contribution factor for the period July 1, 2004 to June 30, 2005 is 0.0010 and the projected TRS fund size as of July 1, 2004 will be established at $680,000.

III.

**Orders**

THE COMMISSION ORDERS:

1. The commission's proposed modifications to the existing contribution factors and fund size, as stated in Order No. 20904, is adopted in their entirety.

2. The contribution factor for the period July 1, 2004 to June 30, 2005 is 0.0010. The projected TRS fund size as of July 1, 2004 is $680,000.

3. Each carrier shall complete and submit a TRS Reporting Worksheet, attached to this Order as Exhibit "A".

4. Annual contributions are due July 26th; carriers who owe contributions $1,200 or more may pay in twelve equal monthly installments, due on the 26th of each month, provided that they submit their TRS Reporting Worksheet by July 26th.
5. For carriers reporting $10,000 or less in gross intrastate retail revenues, they shall contribute at least $10.00 for the period July 1, 2004 to June 30, 2005.

6. Every carrier, except Commercial Mobile Radio Service ("CMRS") providers, shall comply with the 30-day notice requirement of HRS § 269-16(b) and HAR § 6-80-40(b) for any TRS surcharge imposed on its customers, both residential and business, to recover the amount of its contribution. CMRS providers shall place information on their TRS surcharges on their websites, consistent with Decision and Order No. 20890, filed on April 7, 2004, in Docket No. 02-0186.

7. Sprint shall copy the Consumer Advocate on the following reports to the commission: (1) Statement of Fund Performance; (2) Delinquent Report; and (3) TRS Performance Information and Statistics.

8. Order No. 20193, filed on May 23, 2003, in Docket No. 03-0058, is amended consistent with the terms and conditions of this decision and order. In all other respects, Order No. 20193 remains unchanged.
DONE at Honolulu, Hawaii this 10th day of June, 2004.

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:

__________________________
Kevin M. Katsura
Commission Counsel
State of Hawaii  
Public Utilities Commission  
Telecommunications Relay Services  
Carrier Remittance Worksheet  
For the Period July 1, 20___ - June 30, 20___

**SECTION A**  
CARRIER IDENTIFICATION  

Date:  
Company Name:  
Mailing Address:  
Email Address:  

**SECTION B**  
REMITTANCE CALCULATION  

1. Gross Revenues (Prior Calendar Year)  
(e.g., Current year is 2004; Report revenues from 2003)  
(Amount should match gross revenues reported for Hawaii PUC Fee purposes, HRS § 269-30)  

2. Less: Revenue Adjustments (describe, see Section E)  

3. Gross Intrastate Retail Revenues  

4. Hawaii TRS Contribution Factor  

5. Gross Hawaii TRS Assessment (line 3 x line 4)  

6. Greater of line 5 or $10.00 (minimum due)  

If Line 6 is less than $1,200, this is your annual contribution to the TRS Fund for the period beginning July 1st of the current year to June 30th of the following year. Please pay the amount on line 6, in full, by July 26th of the current year. Send your remittance with a copy of this worksheet to the address listed below.

If Line 6 is $1,200 or more, continue to line 7 below.

**SECTION C**  
MONTHLY CONTRIBUTION  

7. Divide line 6 by 12  

Line 7 is your first monthly contribution to the TRS Fund, for the period beginning July 1st of the current year to June 30th of the following year. Send your 1st monthly remittance with a copy of this worksheet to the address listed below. Please pay the amount on line 7 by July 26th. NECA Services, Inc. will then send you a bill for the remaining eleven monthly payments.

**SECTION D**  
CERTIFICATION  

Under penalties as provided by law, I certify that I am duly authorized to verify the foregoing information contained herein and that the information is true and correct to the best of my knowledge and belief.

Date  
Officer Name  
Officer Signature  
Officer Title  

Date  
Contact Name  
Contact Phone  
Contact Title  

Questions???  
Hawaii TRS Administrator  
NECA Services, Inc.  
80 S. Jefferson Road  
Whippany, NJ 07981  
Phone (973) 884-8011  
Fax (973) 599-6504  

Make checks payable to  
"Hawaii TRS"  
and send with worksheet to:  
Attn: Hawaii TRS Administrator  
NECA Services, Inc.  
80 S. Jefferson Road  
Whippany, NJ 07981  

EXHIBIT "A"  
(1 of 2)
If revenue adjustment(s) are not explained here, amounts deducted will be disallowed and proposed assessments may be prepared against you.

Describe amounts deducted from Gross Revenues to obtain Gross Intrastate Retail Revenues (list):

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**TOTAL**
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21049 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

MAGGIE SCHOOLAR
GOVERNMENT ACCOUNT EXECUTIVE
SPRINT COMMUNICATIONS
1321 Rutherford Lane, Suite 120
Austin, TX  78753

DATED:  June 10, 2004
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21892 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

MICHAEL H. LAU, ESQ.
KENT D. MORIHARA, ESQ.
ISHIKAWA MORIHARA LAU & FONG, LLP
841 Bishop Street, Suite 400
Honolulu, HI 96813

Attorneys for Applicant

ALAN M. OSHIMA, ESQ.
SENIOR VICE PRESIDENT/GENERAL COUNSEL
HAWAIIAN TELECOM COMMUNICATIONS, INC.
1177 Bishop Street
Honolulu, HI 96813

DATED: JUN 24 2005

Karen Higashi