BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of

ISLAND DREAMS, INC.

DOCKET NO. 04-0261

For a Motor Carrier Certificate or Permit.

DECISION AND ORDER NO. 21897

Filed June 28, 2005
At 11:30 o'clock A.M.

Chief Clerk of the Commission

ATTEST: A True Copy
BROOKE K. KANE
Administrative Director
Public Utilities Commission
State of Hawaii

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DECISION AND ORDER

By this Decision and Order, the commission grants ISLAND DREAMS, INC. ("Applicant") a certificate of public convenience and necessity ("Certificate") to operate as a common carrier of passengers by motor vehicle over irregular routes on the island of Hawaii, excluding Waipio Valley, in the 8-to-25 passenger classification, subject to certain conditions, as described herein.

I. Application for Common Carrier Authority

On August 18, 2004, Applicant filed an application requesting a Certificate to operate as a common carrier of passengers by motor vehicle over irregular routes on the island of Hawaii, excluding Waipio Valley, in the 8-to-25 passenger classification. The application is made pursuant to Hawaii Revised Statutes ("HRS") § 271-12.

Applicant served copies of the application on the Hawaii Transportation Association, which consists of carriers
that may be affected by Applicant's proposed service, and on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate"). The Consumer Advocate did not participate in this proceeding.

On September 27, 2004, Jack's Tours, Inc. ("Jack's Tours") filed a motion to intervene in the instant proceeding ("Motion to Intervene") which included a request that the commission hear oral arguments on the Motion to Intervene. Oral argument on the Motion to Intervene was held on December 29, 2004 in the commission's hearing room. Applicant did not appear at the hearing. Jack's Tours was represented by its attorney.

On March 15, 2005, the commission issued Findings of Fact, Conclusions of Law, and Recommended Decision and Order of Hearings Officer ("Recommended Decision"), in which the hearings officer recommended that the commission deny Jack's Tours' Motion to Intervene. Pursuant to Hawaii Administrative Rules § 6-61-130 Jack's Tours filed written exceptions to the Recommended Decision ("Exceptions") and requested that oral argument be heard by the commission on its Exceptions. Oral argument on the Exceptions was heard by the commission on May 24, 2005. On June 3, 2005, the commission issued Order No. 21857 approving, and adopting in toto, the Recommended Decision and denying the Motion to Intervene.
II. Findings and Conclusions

Based upon our review of the record, we find that Applicant is fit, willing, and able to properly perform the proposed service, and to conform to HRS chapter 271 and the requirements and rules of the commission. We also find that the proposed service is required by the present and future public convenience and necessity. Accordingly, we conclude that Applicant's request for operating authority, as set forth in the application, should be granted.

III. Orders

THE COMMISSION ORDERS:

1. Applicant is granted a Certificate to operate as a common carrier of passengers by motor vehicle over irregular routes on the island of Hawaii, excluding Waipio Valley, in the 8-to-25 passenger classification.

2. Applicant shall comply with all of the commission's requirements for common carriers by motor vehicle including, but not limited to, paying a fee of $20 for motor carrier gross revenues.

3. Applicant shall comply with the foregoing requirements within one hundred and twenty (120) days after service of this Decision and Order. Failure to comply within the time specified constitutes cause for this commission to void this Decision and Order.
4. Applicant shall not commence operations under this Decision and Order until it has received written confirmation from the commission that all requirements have been met.

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

DONE at Honolulu, Hawaii JUN 28 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:

Benedyne S. Stone
Commission Counsel

04-0261
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21897 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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Honolulu, HI 96809

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J. JAMES SOGI, ESQ.
LAW HAWAII, LLC
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Kailua-Kona, HI 96740

DATED: JUN 28 2005

Karen Higashi