# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the	) Docket No. 7702
PUBLIC UTILITIES COMMISSION	)
Instituting a Proceeding on Communications, Including an Investigation of the Communications Infrastructure of the State of Hawaii.	) ) ) )

STIPULATED ORDER NO. 21917

and

**CERTIFICATE OF SERVICE** 

Filed July 15, 2005

At 8 o'clock A .m.

Chief Clerk of the Commission

#### BEFORE THE PUBLIC UTILITIES COMMISSION

#### OF THE STATE OF HAWAII

In the Matter of the	)	Docket No. 7702
PUBLIC UTILITIES COMMISSION	)	
Instituting a Proceeding on Communications,	)	
Including an Investigation of the Communications	)	
Infrastructure of the State of Hawaii.	)	
	)	

## STIPULATED ORDER NO. 21917

LESLIE ALAN UEOKA, ESQ.

Hawaiian Telcom, Inc. P.O. Box 2200 Honolulu, Hawaii 96841

Telephone: (808) 546-3898 Facsimile: (808) 546-7621

Attorneys for HAWAIIAN TELCOM, INC..

STEPHEN S. MELNIKOFF, ESQ. General Attorney Regulatory Law Office

Office of the Judge Advocate General U.S. Army Litigation Center 901 N. Stuart Street, Suite 700 Arlington, Virginia 22203-1837

Telephone: (7030 696-1643 Facsimile: (703) 696-2960

Attorney for the UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER FEDERAL EXECUTIVE AGENCIES

LAURA A. MAYHOOK, ESQ. J. JEFFREY MAYHOOK, ESQ. Mayhook Law, PLLC 34808 NE 14<sup>th</sup> Avenue La Center, WA 98629 Telephone: (360) 263-4340 Facsimile: (360) 263-4343

Attorney for PACIFIC LIGHTNET, INC.

JON S. ITOMURA, ESQ. 335 Merchant Street, Room 326 Honolulu, Hawaii 96813 Telephone: (808) 586-2800 Facsimile: (808) 586-2780

Attorney for DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

J. DOUGLAS ING, ESQ.
PAMELA J. LARSON, ESQ.
BRIAN KANG, ESQ.
Watanabe Ing Kawashima & Komeiji LLP
First Hawaiian Center
999 Bishop Street, 23<sup>rd</sup> Floor
Honolulu, HI 96813
Telephone: (808) 544-8300
Facsimile Number: (808) 544-8399

Attorneys for TIME WARNER TELECOM OF HAWAII L.P. DBA OCEANIC COMMUNICATIONS

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the	)	Docket No. 7702
PUBLIC UTILITIES COMMISSION	)	
Instituting a Proceeding on Communications, Including an Investigation of the Communications Infrastructure of the State of Hawaii.	) ) ) )	
	)	

### STIPULATION ON ADDITIONAL TIME REQUIRED TO COMPLY WITH FILING REQUIREMENTS OF ORDER NO. 21677

HAWAIIAN TELCOM, INC. ("Hawaiian Telcom"), fka Verizon Hawaii Inc. ("Verizon Hawaii"), the DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"), the UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER FEDERAL EXECUTIVE AGENCIES ("DOD"), TIME WARNER TELECOM OF HAWAII L.P. DBA OCEANIC COMMUNICATIONS ("TWTC") and PACIFIC LIGHTNET, INC ("PLNI"), by and through their respective attorneys or representatives, do hereby stipulate to the following provisions relating to the additional time required to comply with the filing requirements of Order No. 21677.

#### I. BACKGROUND.

By Order No. 21677, the Public Utilities Commission of the State of Hawaii ("Commission") ordered Verizon Hawaii to initiate informal discussions with all parties<sup>1</sup> to this docket regarding the following three (3) discussion points ("Discussion Points"):

1. How do the FCC's *Triennial Review Order and Remand Order*, and the matters of Docket No. 04-0140 affect the Open Issues<sup>2</sup> and existing filings?

The parties included Verizon Hawaii, the Consumer Advocate, DOD, PLNI, AT&T Communications of Hawaii, Inc. ("AT&T"), and Sprint Communications Company, L.P. ("Sprint"). AT&T and Sprint have chosen to not actively participate in this most recent aspect of Docket No. 7702.

- 2. Do any of the Open Issues still need to be addressed and resolved by the Commission for the advancement of competition in the State's telecommunications market, at this time?
- 3. If any of the Open Issues are believed to be still pertinent for the advancement of competition in the State's telecommunications market and should be addressed and resolved at this time, given the present conditions, as described above, what are the appropriate procedures to update the filed information for the Commission's consideration and resolution of the issues?

The Commission requested that the parties (a) informally discuss the above three Discussion Points and file a stipulation memorializing any agreements, if any, reached during the discussions regarding each point or (b) file separate position statements on each of the parties' respective views on such points.

Because of the pending transfer of control of Verizon Hawaii to Hawaiian Telcom<sup>3</sup>, and to allow Hawaiian Telcom the time to review the Open Issues and to formulate its own position, by letter dated April 7, 2005, Verizon Hawaii filed a letter on behalf of the parties requesting that the Commission extend the period for which the parties are required to comply with Order No. 21677 until July 8, 2005. The parties proposed that on July 8, 2005, the parties would inform the Commission how much additional time they would need to comply with the filing requirements of Order No. 21677. By Order No. 21766 dated April 22, 2005, the Commission approved the parties' request and required that the parties submit their filing in the form of a proposed stipulated order for the Commission's review and approval.

The "Open Issues" concern: (a) the establishment of rates for DC and backup DC power for adjacent onsite collocation; (b) the wholesale non-recurring cost ("NRC") study and proposed rates filed by Verizon Hawaii; and (c) Verizon Hawaii's proposal to recover its Operations Support System ("OSS") transition, OSS transaction, and National Market Center ("NMC") shared and fixed costs.

The transfer of control of Verizon Hawaii to Hawaiian Telcom occurred on May 2, 2005.

#### II. DISCUSSION.

Hawaiian Telcom has initiated informal discussions with the various parties to explore their respective positions with respect to the three Open Issues and the three Discussion Points listed in Section I above. In addition to reviewing the procedural questions that the Commission posed, the parties are exploring whether they are able to reach agreement on the substance of the Open Issues. To that end, Hawaiian Telcom has informally discussed its proposal with the parties to substantively address the Open Issues. However, the parties need time to review and consider that proposal, which is still in the early stages of development. The parties believe that to the extent that they are able to reach agreement on one or more of the Open Issues, the procedural questions will be moot and that, therefore, their efforts to review a substantive solution is in the public interest, even though not expressly ordered by the Commission. In recognition that (a) the parties have regulatory, business, and other obligations or commitments, (b) key personnel required to properly review and analyze the Open Issues or the three Discussion Points will be unavailable for certain periods of time, or (c) the parties need sufficient time to more fully review and research the FCC's Triennial Review Order and Remand Order and other related regulatory decisions, the parties propose the following in an effort to comply with the filing requirements of Order No. 21677:

A. <u>Stipulations</u>. On or before September 2, 2005, the parties will file any stipulation or agreements reached with regard to the resolution of any of the Open Issues and/or Discussion Points. Based upon preliminary discussions among the parties, the parties believe they may be able to reach agreement on at least one of the Open Issues/Discussion Points. Nothing herein shall prevent the parties from subsequently entering into a stipulation or agreement with regard to any portion of the Open Issues and/or Discussion Points.

- B. <u>Stipulated Procedural Order</u>. If the parties are unable to reach agreement on all of the Open Issues/ Discussion Points on or before September 2, 2005, the parties will file on or before September 2, 2005, a stipulated procedural order detailing the procedure and schedule the parties will follow with respect to the filing of their respective position statements on the Open Issues/Discussion Points. If the parties are unable to agree on a procedural order, each will file its own proposed order and explain its proposal. While the parties do not presently contemplate the need to (a) seek Information Requests; (b) conduct other discovery; or (c) hold any hearings on the matter, the parties cannot make a final determination on the necessity of the foregoing, and therefore reserve their respective rights, until further discussions take place.
- C. \* Modifications to Procedural Order. Notwithstanding the Commission's adoption of a stipulated procedural order, the parties agree that, to the extent the schedule or procedures may need to be adjusted in the future, the parties will have the ability to seek Commission authorization to modify said schedule or procedures.
- D. <u>Continued Informal Discussions</u>. In an effort to better understand each of the parties' respective positions on the Open Issues/Discussion Points, the parties will hold regular and possibly weekly informal discussions with the goal of reaching agreement on the substance of one or more of the Open Issues. Nothing prevents the parties from discussing the matters individually with each other.
- E. <u>Counterparts</u>. This Stipulated Order may be executed by the parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Order by

facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DATED:

Honolulu, Hawaii, this 8<sup>th</sup> day of July, 2005.

LESLIÉ ĂLAŇ UEOKA

CHERYL KIKUTA

Attorney for Hawaiian Telcom, Inc.

Utilities Administrator for the Division of Consumer Advocacy Department of Commerce and Consumer Affairs

STEPHEN S. MELNIKOFF

Attorney for the United States Department of Defense and all other Federal Executive Agencies J. DOUGLAS ING PAMELA J. LARSON BRIAN A. KANG

Attorneys for Time Warner Telecom of Hawaii L.P. dba Oceanic Communications

Naura O Mayhook JK LAURA A. MAYHOOK J. JEFFREY MAYHOOK

Attorneys for Pacific LightNet, Inc.

facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DATED:

Honolulu, Hawaii, this 8<sup>th</sup> day of July, 2005.

#### LESLIE ALAN UEOKA

Attorney for Hawaiian Telcom, Inc.

STEPHEN S. MELNIKOFF

Attorney for the United States Department of Defense and all other Federal Executive Agencies

LAURA A. MAYHOOK J. JEFFREY MAYHOOK

Attorneys for Pacific LightNet, Inc.

#### JON S. ITOMURA

Attorney for the Division of Consumer Advocacy Department of Commerce and Consumer Affairs

J. DOUGLAS ING PAMELA J. LARSON BRIAN A. KANG

Attorneys for Time Warner Telecom of Hawaii L.P. dba Oceanic Communications

### APPROVED AND SO ORDERED AT HONOLULU, HAWAII THIS 15th DAY OF July\_\_\_, 2005.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

Carlito P. Caliboso, Chairman

APPROVED AS TO FORM:

Commission Counsel

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a copy of the foregoing Stipulated Order No. 21917 upon the following Parties by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DIVISION OF CONSUMER ADVOCACY 335 Merchant Street Room 326 Honolulu, HI 96813

LESLIE ALAN UEOKA, ESQ. HAWAIIAN TELCOM, INC. P.O. Box 2200 Honolulu, HI 96841

STEPHEN S. MELNIKOFF, ESQ. General Attorney Regulatory Law Office Office of the Judge Advocate General U.S. Army Litigation Center 901 N. Stuart Street, Suite 700 Arlington, Virginia 22203-1837

LAURA A. MAYHOOK, ESQ. J. JEFFREY MAYHOOK, ESQ. Mayhook Law, PLLC 34808 NE 14<sup>th</sup> Avenue La Center, WA 98629

J. DOUGLAS ING, ESQ.
PAMELA J. LARSON, ESQ.
BRIAN A. KANG, ESQ.
Watanabe Ing Kawashima & Komeiji LLP
First Hawaiian Center
999 Bishop Street, 23<sup>rd</sup> Floor
Honolulu, HI 96813

DAVID J. MILLER, ESQ.
SENIOR ATTORNEY
AT&T LAW AND GOVERNMENT AFFAIRS
AT&T COMMUNICATIONS OF HAWAII, INC.
795 Folsom Street, Room 3107
San Francisco, CA 94107

STEPHEN H. KUKTA, ESQ. SPRINT COMMUNICATIONS COMPANY, L.P. 100 Spear Street, Suite 930 San Francisco, CA 94105

Dated: JUL 1 5 2005

Chief Clerk