BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of) MERCER TRANSPORTATION CO., INC. For a Motor Carrier Certificate or

Permit.

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DOCKET NO. 2006-0404

DECISION AND ORDER NO. 23192

Filed January II, 2007 At II o'clock A.M.

Morlee K. Kand Clerk of the Commission

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

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of)

MERCER TRANSPORTATION CO., INC.)) For a Motor Carrier Certificate or) Permit.) Docket No. 2006-0404 Decision and Order No. 23192

DECISION AND ORDER

By this Decision and Order, the commission grants MERCER TRANSPORTATION CO., INC. ("Applicant") a permit to operate as a contract carrier of property by motor vehicle over irregular routes on the island of Oahu in the specific commodities (military vehicles) classification pursuant to its contract with Matson Integrated Logistics, Inc.

I.

Application for Contract Carrier Authority

On October 10, 2006, Applicant filed an application requesting a permit to operate as a contract carrier of property by motor vehicle over irregular routes on the island of Oahu in the specific commodities (military vehicles) classification, pursuant to a contract with Matson Integrated Logistics, Inc., a subsidiary of Matson Navigation Company to transport Stryker military vehicles for the Department of Defense. The application is made pursuant to Hawaii Revised Statutes ("HRS") § 271-13. By Decision and Order No. 22862, filed on September 15, 2006, Applicant was granted temporary authority to operate as a contract carrier by motor vehicle over irregular routes on the island of Oahu in the specific commodities (military vehicles) classification. The temporary authority is effective for one hundred and twenty (120) days, until January 15, 2007.

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"). On October 11, 2006, the Consumer Advocate informed the commission that it will not be participating in this docket.

On November 22, 2006, Don's Makiki, Inc. ("Movant") filed a motion to intervene ("Motion to Intervene") in the instant proceeding. On December 1, 2006, Applicant filed a memorandum in opposition to the Motion to Intervene ("Opposition Memorandum") and on December 6, 2006, Movant filed a response to Applicant's Opposition Memorandum. On December 18, 2006, the commission issued Decision and Order No. 23144, denying Movant's 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

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proposed service will meet the distinct needs of Matson Integrated Logistics, Inc., and, pursuant to HRS § 271-13, will be consistent with the public interest and the transportation policy declared in HRS chapter 271. Accordingly, we conclude that Applicant's request for operating authority, as set forth in the application, should be granted.

III.

<u>Orders</u>

THE COMMISSION ORDERS:

1. Applicant is granted a permit to operate as a contract carrier of property by motor vehicle over irregular routes on the island of Oahu in the specific commodities (military vehicles) classification pursuant to its contract with Matson Integrated Logistics, Inc.

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

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DONE at Honolulu, Hawaii ____ JAN 1 1 2007

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

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Carlito P. Caliboso, Chairman

John E. Cole, Commissioner By

APPROVED AS TO FORM:

Stacey Kawasaki Djou

Commission Counsel

2006-0404.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing <u>Decision and Order No.</u> 23192 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CATHERINE P. AWAKUNI EXECUTIVE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

JACK LUBAY DIRECTOR - MILITARY TRAFFIC/SALES MERCER TRANSPORTATION CO., INC. P. O. Box 35610 Louisville, KY 40232

KENT D. MORIHARA, ESQ. MICHAEL H. LAU, ESQ. KRIS N. NAKAGAWA, ESQ. MORIHARA LAU & FONG LLP Davies Pacific Center 841 Bishop Street, Suite 400 Honolulu, HI 96813

Moola K. Kare gu Karen Higashi

DATED: JAN 1 1 2007