

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

-----In the Matter of the----- )  
 )  
PUBLIC UTILITIES COMMISSION )  
 )  
Instituting a Proceeding )  
Regarding Hawaiian Telcom, Inc.'s )  
Service Quality and Performance )  
Levels and Standards in Relation )  
To Its Retail and Wholesale )  
Customers. )  
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DOCKET NO. 2006-0400

ORDER NO. 23550

Filed July 18, 2007  
At 10 o'clock A.M.

Karen Higashi  
Chief Clerk of the Commission

RECEIVED

2007 JUL 19 A 8:29

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

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

Karen Higashi

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Docket No. 2006-0400

Order No. 23550

ORDER

By this Order, the commission directs HAWAIIAN TELCOM, INC. ("Hawaiian Telcom") to submit bi-weekly progress reports detailing its progress with Accenture under its current vendor agreement and any other ongoing effort by Hawaiian Telcom to resolve the remaining back office system cutover issues. The first report shall be submitted on August 1, 2007, and subsequent reports shall be filed every other week thereafter, until completion of Accenture's services agreement with Hawaiian Telcom (and any extensions thereof) or until further order of the commission.

I.

Bi-weekly Progress Reports

By Order No. 22928, filed on October 6, 2006, the commission initiated this investigation to examine Hawaiian Telcom's service quality and performance levels and

standards in relation to its retail and wholesale customers.<sup>1</sup> The named parties to this proceeding, Hawaiian Telcom; the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"); the UNITED STATES DEPARTMENT OF DEFENSE and ALL OTHER FEDERAL EXECUTIVE AGENCIES ("DOD"); PACIFIC LIGHTNET, INC. ("PLNI"); and TIME WARNER TELECOM OF HAWAII, L.P. dba OCEANIC COMMUNICATIONS. ("Time Warner") (collectively, the "Parties"), submitted their proposed Stipulated Procedural Order, which included a Stipulated Regulatory Schedule, on December 5, 2006, pursuant to Order No. 22928. By Order No. 23162, the commission approved the Parties' proposed Stipulated Procedural Order, with modifications.

Pursuant to the approved Stipulated Regulatory Schedule, as amended, the Consumer Advocate, DOD, PLNI, and Time Warner submitted their respective position statements on June 21, 2007, which set forth their positions and various recommendations with regards to the matters of this docket. Upon initial review, the commission finds that one such recommendation requires immediate commission response.

In its Statement of Position, filed on June 21, 2007, the Consumer Advocate contends that the commission should require Hawaiian Telcom to immediately begin submitting periodic progress

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<sup>1</sup>This proceeding was initiated pursuant to Hawaii Revised Statutes §§ 269-7, 269-15, and 269-16; Hawaii Administrative Rules § 6-61-71; Decision and Order No. 21696, filed on March 16, 2005, in Docket No. 04-0140; and Order No. 22569, filed on June 29, 2006, in Docket No. 7702.

updates to the commission and the Consumer Advocate to monitor its endeavors with Accenture<sup>2</sup> and any other efforts undertaken to resolve the remaining back office issues prior to the conclusion of this proceeding. The Consumer Advocate states that "[t]o begin issuing periodic status updates after September 2007 would be late and somewhat futile relative to the current efforts with Accenture since the projected completion date of . . . [Hawaiian Telcom and Accenture's services agreement] would already have passed."<sup>3</sup>

Under the circumstances, the commission finds the Consumer Advocate's recommendation for periodic progress reports on Hawaiian Telcom's efforts to resolve the remaining cutover issues to be reasonable and appropriate. The efforts of Accenture, Hawaiian Telcom's new system integrator, on behalf of Hawaiian Telcom are germane to this proceeding. Hence, the commission concludes that Hawaiian Telcom should be required to file bi-weekly progress reports in this proceeding regarding its progress with Accenture and any other effort by Hawaiian Telcom to resolve the remaining back office cutover issues. The first report should be submitted on August 1, 2007, and subsequent reports should be filed every other week thereafter,

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<sup>2</sup>In early February 2007, Hawaiian Telcom reached an agreement with BearingPoint, its initial system integrator, to transition BearingPoint from its role. Almost simultaneously, Hawaiian Telcom engaged the services of Accenture to become its new system integrator. See Hawaiian Telcom's Statement of Position filed on February 15, 2007, at 75-76.

<sup>3</sup>See Consumer Advocate's Statement of Position filed on June 21, 2007, at 14.

until completion of Accenture's services agreement with Hawaiian Telcom (and any extensions thereof) or until further order of the commission.<sup>4</sup>

## II.

### Order

#### THE COMMISSION ORDERS:

Hawaiian Telcom shall file bi-weekly progress reports detailing its progress with Accenture under its current vendor agreement and any other ongoing effort by Hawaiian Telcom to resolve the remaining back office cutover issues. The first progress report shall be submitted on August 1, 2007, and subsequent reports shall be filed every other week thereafter, until completion of Accenture's services agreement with Hawaiian Telcom (and any extensions thereof) or until further order of the commission.

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<sup>4</sup>The commission recognizes that Hawaiian Telcom is already submitting weekly status reports and monthly service measurement reports in this proceeding pursuant to Order No. 22928. The bi-weekly progress reports, pursuant to this Order, should focus on Accenture's efforts on Hawaiian Telcom's behalf and center on the tasks and objectives outlined in their services agreement, which is attached as Exhibit J to Hawaiian Telcom's Statement of Position, and should include any other endeavors undertaken to address back office system issues that are not addressed in the other reports.

DONE at Honolulu, Hawaii JUL 18 2007.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By:   
Carlito P. Caliboso, Chairman

By:   
John E. Cole, Commissioner

By:   
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

  
Ji Sook Kim  
Commission Counsel

2006-0400.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23550 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

STEPHEN S. MELNIKOFF, ESQ.  
GENERAL ATTORNEY  
REGULATORY LAW OFFICE  
OFFICE OF THE JUDGE ADVOCATE GENERAL (JALS-RL)  
U.S. ARMY LITIGATION CENTER  
901 North Stuart Street, Suite 700  
Arlington, VA 22203-1837

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

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

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

Attorneys for HAWAIIAN TELCOM, INC.

(Certificate of Service - Continued)

LISA SUAN  
PACIFIC LIGHTNET, INC.  
1132 Bishop Street, Suite 800  
Honolulu, HI 96813

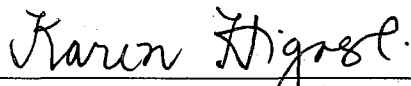
LAURA A. MAYHOOK, ESQ.  
J. JEFFREY MAYHOOK, ESQ.  
MAYHOOK LAW, PLLC  
34808 NE 14<sup>th</sup> Avenue  
La Center, WA 98629

Attorneys for PACIFIC LIGHTNET, INC.

EDWARD C. MURLEY  
TIME WARNER TELECOM OF HAWAII, L.P. dba  
OCEANIC COMMUNICATIONS  
2669 Kili Hau Street  
Honolulu, HI 96819

J. DOUGLAS ING, ESQ.  
PAMELA J. LARSON, ESQ.  
LISA S. HIRAHARA, ESQ.  
WATANABE ING & KOMEIJI LLP  
First Hawaiian Center  
999 Bishop Street, 23<sup>rd</sup> Floor  
Honolulu, HI 96813

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

  
\_\_\_\_\_  
Karen Higashi

DATED: JUL 18 2007