

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of )  
ACCESSLINE HOLDINGS, INC., )  
ACCESSLINE COMMUNICATIONS )  
CORPORATION, and TELANETIX, INC. )  
For the Direct Transfer of Control )  
Of AccessLine Holdings, Inc. to )  
Telanetix, Inc. )  
\_\_\_\_\_ )

DOCKET NO. 2007-0310

DECISION AND ORDER NO. 23841

Filed Nov. 19, 2007  
At 1 o'clock P.M.

Karen Higashi.  
Chief Clerk of the Commission

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

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KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.

Karen Higashi.

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Docket No. 2007-0310  
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DECISION AND ORDER

By this Decision and Order, the commission waives the requirements of Hawaii Revised Statutes ("HRS") §§ 269-7(a) and 269-19 and Hawaii Administrative Rules ("HAR") §§ 6-61-101 and 6-61-105, to the extent applicable, with respect to ACCESSLINE HOLDINGS, INC. ("AccessLine"), ACCESSLINE COMMUNICATIONS CORPORATION ("ACC"),<sup>1</sup> and TELANETIX, INC.'s ("Telanetix") (collectively, "Applicants") request to approve the indirect transfer of control of ACC from AccessLine to Telanetix ("Proposed Transaction").

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<sup>1</sup>ACC, a wholly owned subsidiary of AccessLine, received its Certificate of Authority to operate as a reseller of intrastate interexchange telecommunications services in the State of Hawaii by Decision and Order No. 21773, filed on April 22, 2005 in Docket No. 04-0337.

I.

Background

A.

Application

On September 5, 2007, Applicants filed a joint application ("Application") requesting expedited commission approval of the Proposed Transaction, pursuant to HRS § 269-19.<sup>2</sup> According to Applicants, Telanetix will acquire direct control of AccessLine and indirect control of ACC, pursuant to an Agreement and Plan of Merger dated September 1, 2007.

Applicants state that the Proposed Transaction will be seamless and transparent to ACC's customers, as ACC will continue to offer service under the same name with no change in rates, terms or conditions of service. According to Applicants, the Proposed Transaction will serve the public interest as it will enhance their ability to expand their respective operations in terms of service coverage area and through their ability to offer customers an expanded line of products and services.

B.

Consumer Advocate's Statement of Position

On November 1, 2007, the Consumer Advocate filed its statement of position in which it states that it does not object to either waiver of the commission's approval or investigatory

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<sup>2</sup>Applicants served copies of the Application on the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), an ex officio party to this proceeding.

authority to review the Proposed Transaction, or commission approval of the Proposed Transaction.

## II.

### Discussion

HRS § 269-16.9 allows the commission to waive regulatory requirements applicable to telecommunications providers if it determines that competition will serve the same purpose as public interest regulation. Specifically, HAR § 6-80-135 permits the commission to waive the applicability of any of the provisions of HRS chapter 269 or any rule, upon a determination that a waiver is in the public interest.

In this docket, the commission finds, at this time, that ACC is a non-dominant carrier in the State. The commission also finds that the Proposed Transaction is consistent with the public interest, and that competition, in this instance, will serve the same purpose as public interest regulation. Thus, the commission concludes that the requirements of HRS §§ 269-7(a) and 269-19 should be waived, to the extent applicable,<sup>3</sup> with regards to the matters in this docket, pursuant to HRS § 269-16.9 and HAR § 6-80-135.<sup>4</sup> Similarly, based on these findings and conclusions

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<sup>3</sup>The Consumer Advocate argued in its Statement of Position that HRS § 269-19 is not applicable to the Proposed Transaction. As the commission has found that a waiver is appropriate, it need not determine the applicability of HRS § 269-19.

<sup>4</sup>The commission will continue to examine each application or petition and make determinations on a case-by-case basis as to whether the applicable requirements of HRS §§ 269-7(a) or 269-19 should be waived. Thus, our waiver in this instance should not be construed by any public utility, including Applicants, as a

stated above, the commission also waives the provisions of HAR §§ 6-61-101 and 6-61-105, to the extent that the Application fails to meet any of these filing requirements.

III.

Orders

THE COMMISSION ORDERS:

1. The requirements of HRS §§ 269-7(a) and 269-19, to the extent applicable, are waived with respect to the Proposed Transaction, described in the Application filed on September 5, 2007.

2. The filing requirements of HAR §§ 6-61-101 and 6-61-105, to the extent applicable, are also waived.

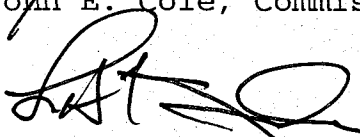
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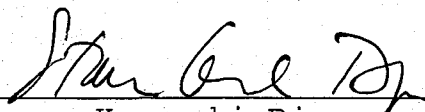
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By:   
John E. Cole, Commissioner

APPROVED AS TO FORM:

By:   
Leslie H. Kondo, Commissioner

  
Stacey Kawasaki Djou  
Commission Counsel

2007-0310.eh

basis for not filing an application or petition regarding similar transactions that fall within the purview of these statutes.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 23841 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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

GLENN S. RICHARDS  
PILLSBURY WINTHROP SHAW PITTMAN LLP  
2300 N Street, N.W.  
Washington, DC 20037

Counsel for ACCESSLINE HOLDINGS, INC. and ACCESSLINE  
COMMUNICATIONS CORPORATION

MARK KLEBANOFF  
CHIEF FINANCIAL OFFICER  
ACCESSLINE COMMUNICATIONS CORPORATION  
11201 SE 8<sup>th</sup> Street  
Bellevue, WA 98004

RICK ONO  
CHIEF OPERATING OFFICER  
TELANETIX, INC.  
6197 Cornerstone Court, Suite 108  
San Diego, CA 92121

  
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Karen Higashi

DATED: NOV 19 2007