

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
LAUNIUPOKO WATER COMPANY, LLC)
For Review and Approval of Rate)
Increases and Revised Rate)
Schedules.)

DOCKET NO. 2006-0505

DECISION AND ORDER NO. 23539

Filed July 12, 2007
At 2 o'clock P .M.

Karen Higashi.
Chief Clerk of the Commission

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

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

Karen Higashi.

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LAUNIUPOKO WATER COMPANY, LLC)
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_____)

Docket No. 2006-0505
Decision and Order No. 23539

DECISION AND ORDER

By this Decision and Order, the commission adopts Proposed Decision and Order No. 23523, filed on June 29, 2007 ("Proposed Decision and Order"), as its Decision and Order in this proceeding. In so doing, the commission approves an increase of additional revenues of \$42,248, or approximately 35.15%, over revenues at present rates for services rendered by LAUNIUPOKO WATER COMPANY, LLC ("LWC") based on a total revenue requirement of \$162,424 for the test year ending December 31, 2007 ("Test Year"); and authorizes LWC, in accordance with the Proposed Decision and Order, to: (1) increase its rates and charges; and (2) implement an Automatic Power Cost Adjustment Charge ("APCAC").

I.

Background

The commission timely issued the Proposed Decision and Order on June 29, 2007,¹ as mandated by HRS § 269-16(f), and in connection with LWC's application² filed on December 29, 2006.

¹The DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), is an ex officio party to this proceeding pursuant to Hawaii Revised Statutes

In the Proposed Decision and Order, the commission approved the increase of additional revenues of \$42,248, or approximately 35.15%, over revenues at present rates based on a total revenue requirement of \$162,424 for the Test Year for services rendered by LWC. In so doing, the commission approved the Parties' Stipulation of Settlement Agreement filed on May 25, 2007 ("Stipulation"). In approving the Stipulation, the commission authorized LWC to increase the rates and charges that it assesses for its services, and authorized the implementation of an APCAC by LWC. Moreover, the commission instructed: (1) the Parties to notify the commission, within ten (10) days of the date of the Proposed Decision and Order, as to whether they each accept, in toto, or do not accept, in whole or in part, the Proposed Decision and Order, as mandated by HRS § 269-16(f)(3); and (2) LWC to promptly file its revised tariff sheets and rate schedules for the commission's review and approval.

By letter dated and filed on July 3, 2007, the Consumer Advocate notified the commission that it has no objections to the commission's findings and accepts in toto the Proposed Decision and Order. On the same day, LWC notified the commission that it accepts, in toto, the Proposed Decision and

("HRS") § 269-51 and Hawaii Administrative Rules § 6-61-62. LWC and the Consumer Advocate, the sole parties to this proceeding, are hereafter collectively referred to as the "Parties."

²LWC filed its application on December 29, 2006, and attached various exhibits; the testimonies of Mr. Glenn Tremble (designated as T-1) and Mr. Walter Matsuno (designated as T-2); a verification; and a certificate of service (collectively, "Application"). Copies of the Application were served on the Consumer Advocate.

Order³ and concurrently submitted its revised tariff sheets and rate schedules for the commission's review and approval.

II.

Discussion

The Parties have accepted the Proposed Decision and Order. Consequently, the Parties are not entitled to a contested case hearing and HRS § 269-15.5, governing the appeal of commission decisions, does not apply.

The commission hereby adopts the Proposed Decision and Order as its Decision and Order in this proceeding. Additionally, the commission finds that LWC's revised tariff sheets and rate schedules, filed on July 3, 2007, comply with the Proposed Decision and Order and, thus, concludes that the filing should be approved.

III.

Orders

THE COMMISSION ORDERS:

1. Proposed Decision and Order No. 23523, filed on June 29, 2007, is adopted as the commission's Decision and Order in this proceeding.

2. LWC may increase its rates to produce additional revenues of \$42,248, or approximately 35.15%, over revenues at present rates for services rendered by LWC based on a total revenue requirement of \$162,424 for the Test Year, as depicted on Exhibit A of the Proposed Decision and Order.

³LWC's letter dated and filed on July 3, 2007.
2006-0505

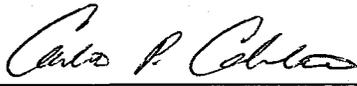
3. LWC's revised tariff sheets and rate schedules, filed on July 3, 2007, are approved and shall take effect from the date of this Decision and Order. LWC shall promptly file its new tariff sheets and rate schedules, with the applicable issued and effective dates.

4. Failure to comply with the requirement noted above, may constitute cause to void this Decision and Order, and may result in further regulatory action as authorized by law.

5. Upon the filing of LWC's new tariff sheets and rate schedules, with the applicable issued and effective dates, this docket shall be closed unless ordered otherwise by the commission.

DONE at Honolulu, Hawaii JUL 12 2007.

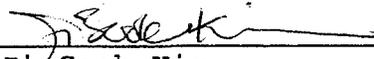
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
John E. Cole, Commissioner

APPROVED AS TO FORM:

By 
Leslie H. Kondo, Commissioner


Ji Sook Kim
Commission Counsel

2006-0505.eh

CERTIFICATE OF SERVICE

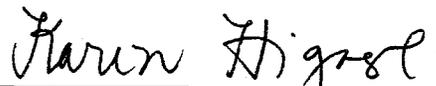
I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 23539 upon the following Petitioners, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR
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Karen Higashi

DATED: JUL 12 2007