

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
YOUNG BROTHERS, LIMITED)

DOCKET NO. 2006-0396

For Approval of a General Rate)
Increase, Rate Restructuring, Fuel)
Price Adjustment Clause, and Other)
Tariff Changes.)

ORDER NO. 23779

Filed Oct. 29, 2007

At 11 o'clock A.M.

Karen Higashi

Chief Clerk of the Commission

RECEIVED

2007 OCT 30 A 9 28

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

\$4,391,105, or approximately 7.51 percent over intrastate revenues at present rates, for Young Brothers, based on a rate of return of 10.76 percent and a total intrastate revenue requirement of \$68,893,418 for the 2007 calendar test year. The commission also authorized Young Brothers to implement a fuel price adjustment clause, as agreed upon by the Parties.

On October 16, 2007, Young Brothers filed its revised tariff sheets and rate schedules. On October 19, 2007, the commission found that Young Brothers' filing complied with Decision and Order No. 23714, and accordingly, authorized the water carrier's revised tariff sheets and rate schedules to take effect.²

On October 19, 2007, the Parties: (1) filed their Joint Motion for Clarification, seeking clarification that the first day upon which Young Brothers may implement its fuel price adjustment clause is December 1, 2007, pursuant to Hawaii Administrative Rules § 6-61-41; and (2) request that the commission "[g]rant the relief sought as expeditiously as possible to provide Young Brothers and its customers with a date certain for the initial implementation of a [fuel price adjustment clause]."³

²Order No. 23745, filed on October 19, 2007.

³Joint Motion for Clarification, at 4.

II.

Discussion

Section II.I of Decision and Order No. 23714 states in relevant part:

I.

Fuel Price Adjustment Clause

.

Specifically, the Parties agree to:

.

2. Implement Young Brothers' initial fuel price adjustment, effective as of the first day of the fourth month following the issuance of the commission's decision and order in this proceeding, based on the data from the three-month period following the issuance of the decision and order;

.

The commission approves as reasonable the implementation of the fuel price adjustment clause agreed-upon by the Parties, and their Annual Fuel Price Reconciliation monitoring plan.

Decision and Order No. 23714, at 63 and 67 (emphasis added).

Here, based on the record, the commission finds that the Parties effectively agreed that the first day upon which Young Brothers may implement its fuel price adjustment clause is December 1, 2007.

Specifically, when the Parties filed their Stipulation on Settlement of All Issues in This Proceeding on July 20, 2007 ("Stipulation"), the Parties requested the issuance of the

commission's decision and order by August 31, 2007.⁴ Hence, with the issuance of a decision and order by August 31, 2007, the Parties contemplated that Young Brothers' fuel price adjustment clause, if approved by the commission, would take effect on December 1, 2007, i.e., "effective as of the first day of the fourth month following the issuance of the commission's decision and order."

However, the commission did not issue a decision and order by August 31, 2007. Instead, on September 4, 2007, the commission instructed the Parties to jointly submit a supplemental filing in support of their Stipulation.⁵ On September 19, 2007, the Parties, in response to Order No. 23625, filed their Joint Supplement to Stipulation on Settlement of All Issues in this Proceeding ("Joint Supplement"). Thereafter, on October 12, 2007, the commission issued Decision and Order No. 23714, approving the Stipulation, as further supported by the Joint Supplement.

While the Joint Supplement did not amend the language in the Stipulation regarding the Parties' requested implementation date for Young Brothers' fuel price adjustment clause,⁶ under the circumstances, the commission finds that the

⁴See Exhibit A to Order No. 23311, filed on March 16, 2007 (Parties requested a decision and order by August 31, 2007).

⁵Order No. 23625, filed on September 4, 2007.

⁶See Joint Supplement, at 55 (Starting with the relevant dates measured from the requested date of a decision from the Commission (August 31, 2007), [Young Brothers'] first opportunity to utilize the [fuel price adjustment clause] would be on the first day of the fourth month (i.e., December 1, 2007) following the requested date of the decision.").

Parties' intent was to allow Young Brothers to implement its fuel price adjustment clause by December 1, 2007. Accordingly, the commission grants the Parties' Joint Motion for Clarification, and hereby clarifies that the first day upon which Young Brothers may implement its fuel price adjustment clause is December 1, 2007, consistent with Decision and Order No. 23714.

III.

Orders

THE COMMISSION ORDERS:

1. The Parties' Joint Motion for Clarification, filed on October 19, 2007, is granted. Accordingly, the first day upon which Young Brothers may implement its fuel price adjustment clause is December 1, 2007, consistent with Decision and Order No. 23714, filed on October 12, 2007.

2. In all other respects, Decision and Order No. 23714 remains unchanged.

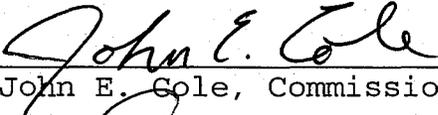
3. This docket is closed unless ordered otherwise by the commission.

DONE at Honolulu, Hawaii

OCT 29 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:


Michael Azama
Commission Counsel

2006-0396.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23779 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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Karen Higashi

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DATED: **OCT 29 2007**