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NEWS RELEASE

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**Public Utilities Commission Issues Interim Decision and Order
Approving Pasha Hawaii Transport Lines LLC's Application
for a Certificate of Public Convenience and Necessity**

(PUC Docket No. 2009-0059)

HONOLULU – Today, the Hawaii Public Utilities Commission (“Commission”) issued an Interim Decision and Order approving Pasha Hawaii Transport Lines LLC’s (“Pasha”) application for a Certificate of Public Convenience and Necessity (“CPCN”). The Interim Decision and Order authorizes Pasha to operate as a water carrier of property between and among the ports of Honolulu, Kahului, Hilo, Nawiliwili, Barbers Point, and Pearl Harbor on an interim basis through December 31, 2013.

The Commission found that Pasha’s proposed intrastate operations will foster competition in the intrastate shipping industry and provide consumers with a choice of intrastate water carriers. Furthermore, the addition of a second water carrier of property will minimize any potential harm or inconvenience to the public if existing services are disrupted.

The Commission also determined that there was no specific, verifiable evidence in the record that Pasha’s proposed service will detrimentally harm the public or other intrastate water carriers. The Commission noted that while there may be some concern that certain customers and neighbor island communities may be potentially affected by Pasha’s entry into the market, such issues are difficult to evaluate based on the theoretical projections submitted by the parties.

Allowing Pasha to operate on an interim basis will enable the Commission and the Division of Consumer Advocacy (“Consumer Advocate”) to obtain actual intrastate revenue, cargo volume and cost support data, and evaluate the impact of Pasha’s proposed service on the State’s inter-island shipping industry or the public interest. Once the Commission and the Consumer Advocate carefully analyze such information, the Commission will then make a final decision regarding Pasha’s request for a CPCN. The Commission, however, may terminate Pasha’s interim authority to operate if, at any time, the Commission determines that Pasha’s intrastate service causes undue harm to existing intrastate shipping services or the public interest.

For more information regarding the Interim Decision, please go to www.hawaii.gov/budget/puc.

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