

June 12, 2012

Frederick M. Joyce

T 202-344-4653
F 202.344.8300
fmjoyce@venable.com

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Attention: Sharon Gillett, Chief, Wireline Competition Bureau

Re: Sandwich Isles Communications, Inc.
Petition for Rule Waiver/Ex Parte Notice
CC Docket No. 01-92, WC Docket Nos. 05-337, 07-135 and 10-90 and
GN Docket No. 09-51

Dear Ms. Gillett:

Sandwich Isles Communications, Inc. (SIC), through counsel, and pursuant to Section 1.1204(a)(10) of the Commission's Rules, hereby submits this *ex parte* notice in this rule waiver proceeding. On behalf of Sandwich Isles Communications, thank you and the staff of the Wireline Competition Bureau for taking the time to meet with Al Hee, President of SIC, Janeen Olds, General Counsel of SIC, and me on June 6. As you know, we have repeatedly been in touch with the Bureau and Chairman Genachowski's office since SIC first filed its Petition for Waiver (December 30, 2011) to answer questions, provide additional documents, and determine if you or your colleagues had any concerns related to the Waiver. Indeed, Wednesday's meeting was arranged at our request, not at the Bureau's instigation, to determine the status of SIC's Petition for Waiver and answer any remaining questions from the Bureau. Consequently, we are deeply puzzled and disappointed by the Bureau's suggestion at that meeting, and in its June 6 letter to SIC, that SIC has "failed to be forthcoming" in its dealings with the Bureau.

At the June 6 meeting you informed us that the Bureau had planned on sending SIC additional written inquiries and that you would not make any commitments about when a decision would be reached on the Waiver. Later that afternoon the Bureau sent me a copy of its letter with ten more areas of inquiry. This letter was apparently published by the FCC in "redacted" form and made available to the press before I had any opportunity to see it. Prior to receipt of the Bureau's June 6 letter, no one at the Commission had ever informed me that they

Marlene H. Dortch, Secretary

June 12, 2012

Page 2

had any concerns about SIC's degree of cooperation. As it has previously, SIC will promptly and thoroughly respond to all of these new questions; however, the answers to many of the questions asked by the Bureau are already well-known to the FCC. For instance, Paniolo Cable's ownership structure was reviewed and approved by the FCC in 2009. SIC's cable lease payment obligations were reviewed by your Bureau several years ago, and addressed at length in the Bureau's September 29, 2010 Declaratory Ruling.

If the Bureau is unable to act on SIC's Waiver prior to the July 2 effective date of the new rules, the record should clearly reflect that it will not be SIC's fault. Here are the pertinent facts: SIC's Petition for Waiver was filed on December 30, 2011. The Bureau made no attempt to meet with SIC or ask any questions about SIC's Waiver until well past expiration of the 45 day "shot clock" established in the Connect America Fund order. On March 13, 2012, we heard from the Bureau for the first time when it sent SIC a letter with a list of questions. SIC immediately began accumulating data and documents in response to the Bureau's letter, at considerable expense notwithstanding FCC testimony to Congress to the contrary. SIC's counsel then offered to meet with the Bureau to discuss the Bureau's questions to ensure that SIC's responses would be thorough and responsive. That meeting was held on April 11; at that meeting the Bureau's staff posed several more questions. On April 16 and April 17, SIC responded in writing to all of those questions; that filing contained over 200 pages of documents and detailed written answers to each and every one of the Bureau's questions. In the weeks following SIC's document submissions, SIC's counsel contacted the Bureau and the Chairman's office on numerous occasions to determine if the FCC had any more questions concerning SIC's Waiver. The only response we received came from the Chairman's office, and that was to the effect that the Bureau was reviewing all of SIC's information. At no time did any member of the Bureau inform SIC or SIC's counsel that SIC had been uncooperative or "less than forthcoming."

The timing of the Bureau's June 6 letter was particularly troubling given that the C.E.O. of SIC was scheduled to testify the next day before the Senate on the FCC's Universal Service reform measures. It is far from clear why it would have taken the Bureau close to two months to determine that SIC's previous submissions were in some way lacking. Nevertheless, SIC has already begun to assemble all of this additional information and will submit it to the Bureau as soon as possible prior to the July 2 effective date of the new rules.

Given that the Bureau has not previously handled any waivers of this sort, and that SIC is the first petitioner to have to deal with the FCC's new Universal Service waiver procedures, it is understandable that the process might not be as smooth or expeditious as everyone would prefer. Still, I can discern no reason at all for the Bureau to accuse my client of having been anything but cooperative and diligent in its efforts to achieve a resolution of its Waiver that will be in the

Marlene H. Dortch, Secretary

June 12, 2012

Page 3

best interests of telephone customers in the Hawaiian Home Lands. Going forward, should the Bureau have any questions or need additional information from SIC, you should not hesitate to contact me right away; the FCC's rules and procedures do not require that this waiver process be subject to infrequent public notices and formal inquiries. We appreciate your cooperation and assistance and look forward to a favorable resolution of this matter in the public interest.

Sincerely,

/s/ Frederick M. Joyce

Frederick M. Joyce

cc: Michael Steffen (Office of the Chairman)