

JAN 18 2006

S.B. NO. 2018

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# A BILL FOR AN ACT

RELATING TO PUBLIC UTILITIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 269-7.5, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3           "**§269-7.5 Certificates of public convenience and**  
4 **necessity.** (a) No public utility, as defined in section 269-1,  
5 shall commence its business without first having obtained from  
6 the commission a certificate of public convenience and  
7 necessity. Applications for certificates shall be made in  
8 writing to the commission and shall comply with the requirements  
9 prescribed in the commission's rules. The application shall  
10 include the type of service to be performed, the geographical  
11 scope of the operation, the type of equipment to be employed in  
12 the service, the name of competing utilities for the proposed  
13 service, a statement of its financial ability to render the  
14 proposed service, a current financial statement of the  
15 applicant, and the rates or charges proposed to be charged  
16 including the rules [~~and regulations~~] governing the proposed  
17 service.



1        (b) If the applicant or applicants for a certificate of  
2 public convenience and necessity have any known consumers or  
3 patrons at the time of the filing of the application, the  
4 applicant or applicants shall notify these consumers or patrons  
5 of the rates and charges proposed to be established by the  
6 application; provided that:

7        (1) The notice shall be mailed to the last known address  
8        of the consumer or patron on file with the applicant  
9        or applicants; and

10       (2) The manner and the fact of the notification shall be  
11       reported to the commission,  
12 within seven days from the filing of the application.

13       ~~(b)~~ (c) A certificate shall be issued to any qualified  
14 applicant, authorizing the whole or any part of the operations  
15 covered by the application, if it is found that the applicant is  
16 fit, willing, and able properly to perform the service proposed  
17 and to conform to the terms, conditions, and rules adopted by  
18 the commission, and that the proposed service is, or will be,  
19 required by the present or future public convenience and  
20 necessity; otherwise the application shall be denied. Any  
21 certificate issued shall specify the service to be rendered and  
22 there shall be attached to the exercise of the privileges

1 granted by the certificate at the time of issuance and from time  
2 to time thereafter, such reasonable conditions and limitations  
3 as a public convenience and necessity may require. The  
4 reasonableness of the rates, charges, and tariff rules [~~and~~  
5 ~~regulations~~] proposed by the applicant shall be determined by  
6 the commission during the same proceeding examining the present  
7 and future conveniences and needs of the public and  
8 qualifications of the applicant, in accordance with the  
9 standards set forth in section 269-16.

10 [~~(e)~~] (d) No public utility [~~which~~] that holds a franchise  
11 or charter enacted or granted by the legislative or executive  
12 authority of the State or its predecessor governments, or  
13 [~~which~~] that has a bona fide operation as a public utility  
14 heretofore recognized by the commission, shall be required to  
15 obtain a certificate of public convenience and necessity under  
16 this section.

17 [~~(d)~~] (e) Any certificate [~~may~~], upon application of the  
18 holder and at the discretion of the public utilities commission,  
19 may be amended, suspended, or revoked, in whole or in part. The  
20 commission after notice and hearing may suspend, amend, or  
21 revoke any certificate in part or in whole, if the holder is  
22 found to be in wilful violation of any of the provisions of this



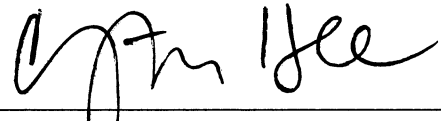
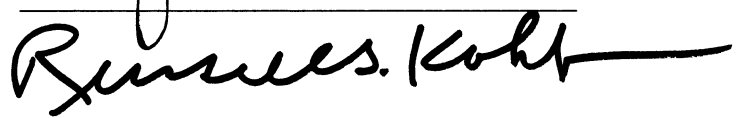
1 chapter or with any lawful order or rule of the commission  
2 adopted thereunder, or with any term, condition, or limitation  
3 of the certificate."

4 SECTION 2. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 3. This Act shall take effect on July 1, 2006, and  
7 shall apply to applications for certificates of public  
8 convenience and necessity filed after June 30, 2006.

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INTRODUCED BY:



SB2018

**Report Title:**

Public Utilities; CPCN; Rate Notice

**Description:**

Requires a utility applicant to notify existing consumers and patrons, if any, of the rates proposed to be established by an application for a certificate of public convenience and necessity.

