

Honolulu, Hawaii

APR - 7 2006

RE: H.B. No. 1021
H.D. 2
S.D. 2

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1021, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES,"

begs leave to report as follows:

The purpose of this measure is to provide support to the Public Utilities Commission and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs to enable these agencies to effectively regulate Hawaii's public utilities and meet the challenges of implementing the State's energy and telecommunications policies.

Specifically, this measure:

- (1) Increases the salary of the Chairperson of the Public Utilities Commission to be commensurate with the salary of the Director of Commerce and Consumer Affairs;
- (2) Authorizes the Chairperson of the Public Utilities Commission to appoint and employ utility analysts and legal assistants; and
- (3) Appropriates funds out of the compliance resolution fund to enable the Division of Consumer Advocacy to reorganize.



This measure also authorizes the Public Utilities Commission to suspend the collection of the public utilities fee when the balance of the Public Utilities Commission special fund exceeds \$3,000,000.

Your Committee is aware that the Public Utilities Commission and the Division of Consumer Advocacy face exceptional challenges in energy and telecommunications utility regulation. This includes, for example, challenges arising from the development of competition and the challenges of implementing the State's energy policies, including net energy metering, the deployment of renewable resources, and energy efficiency initiatives. These challenges require specialized staff, including utility analysts and legal assistants, to provide necessary technical, economic, policy, auditing, and legal expertise.

Upon further consideration, your Committee has amended this measure by:

- (1) Deleting the section that sets forth the background and purpose of the measure;
- (2) Deleting the increase of the salary of the Chairperson of the Public Utilities Commission;
- (3) Deleting the authorization of the Public Utilities Commission to suspend payment of the public utilities fee;
- (4) Deleting provisions requiring the Public Utilities Commission to conduct a review of its organization and report its findings to the Legislature; and
- (5) Deleting the appropriation from the compliance resolution fund for reorganization of the Division of Consumer Advocacy.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1021, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1021, H.D. 2, S.D. 2.




Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



BRIAN T. TANIGUCHI, Chair

The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:*	Committee Referral:	Date:
HB 1021 HD2 SD1	CPH, WAM	4/5/06
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is to:		
<input type="checkbox"/> Pass, unamended (2312)	<input checked="" type="checkbox"/> Pass, with amendments (2311)	<input type="checkbox"/> Hold (2310)
<input type="checkbox"/> Recommit (2313)		
Members	Ayes	Ayes(WR)
	Nays	Excused
TANIGUCHI, Brian T. (C)	/	
TSUTSUI, Shan S. (VC)	/	
ENGLISH, J. Kalani	/	
ESPERO, Will	/	
FUKUNAGA, Carol	/	
HOOSER, Gary L.	/	
INOUE, Lorraine R.	/	
KANNO, Brian	/	
KIM, Donna Mercado	/	
KOKUBUN, Russell S.	/	
NISHIHARA, Clarence K.	/	
SAKAMOTO, Norman		/
HEMMINGS, Fred		/
SLOM, Sam	/	
TRIMBLE, Gordon	/	
TOTAL	13	0
	0	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
		Goldenrod Committee File Copy

*Do not list more than one measure per Record of Votes.