

STAND. COM. REP. NO.

1227

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1005
H.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred H.B. No. 1005, H.D. 2,
entitled:

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

begs leave to report as follows:

The purpose of this measure is to enhance the ability of the
Public Utilities Commission to carry out its duties and
responsibilities.

Specifically, this measure:

- (1) Requires the Public Utilities Commission to restructure
its operations pursuant to its December 2006, report to
the Legislature;
- (2) Appropriates funds to meet the costs incurred as a
result of the restructuring process; and
- (3) Authorizes the Public Utilities Commission to consider
the need for increased renewable energy use in
exercising its authority and duties.

Your Committee received testimony in support of this measure
from the Public Utilities Commission; the Division of Consumer
Advocacy; The Gas Company; the Hawaii Energy Policy Forum;



Hawaiian Electric Company and its subsidiaries; the Sierra Club Hawai'i Chapter; and the Hawaii Solar Energy Association, Inc.

Your Committee finds that by Act 143, Session Laws of Hawaii 2006 (Act 143), the Legislature recognized that there is a need for the Public Utilities Commission to function more effectively and efficiently in light of changing regulatory conditions, duties, requirements, and advances in technology. Act 143 also mandated the Public Utilities Commission to conduct a review of its organization and to propose any necessary legislation that will enable it to more effectively protect and represent the interests of consumers. This measure represents the Public Utilities Commission's first step toward reaching the goals and objectives set forth in Act 143.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1005, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,



BRIAN T. TANIGUCHI, Chair



