
A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

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

1 SECTION 1. Progressive energy policy-making at the state
2 level is one of the most important issues on the current
3 legislative agenda. Improving the performance of regulatory
4 bodies, specifically the public utilities commission, is
5 essential to the successful implementation of current and future
6 energy policy reform. Recent legislation relies on professional
7 staff in the public utilities commission to use their skills and
8 experience to research, analyze, examine, and process
9 legislative mandates related to the commission.

10 The current organization of the public utilities commission
11 has not kept up with recent legislative initiatives, diminishing
12 the ability of the public utilities commission to perform
13 effectively in the following ways:

14 (1) Difficulty recruiting and retaining qualified
15 individuals to fill specialized positions that require
16 skills and experience that involve the performance of
17 certain functions;



- 1 (2) Specialized job requirements that do not correspond
- 2 with existing position descriptions and
- 3 classifications;
- 4 (3) Bureaucratic obstacles in changing existing position
- 5 descriptions and classifications;
- 6 (4) Salaries that are substantially below mainland agency
- 7 or private sector equivalents, especially considering
- 8 the demanding and arduous job requirements; and
- 9 (5) Agency organizational structures that are archaic and
- 10 unsupportive of efficient work flow or the matching of
- 11 human resources to the required tasks.

12 Act 143, Session Laws of Hawaii 2006, was passed to obtain

13 an in-depth review of the public utility commission's

14 organization and to develop a comprehensive plan to effectively

15 restructure the commission and enable the commission to function

16 more effectively. A report was submitted by the public

17 utilities commission to the legislature in December 2006,

18 detailing the challenges and obstacles faced by the commission,

19 the restructuring plan to improve the operational effectiveness

20 of the commission, and the specific types and numbers of

21 positions and other funding amounts necessary to restructure the

1 commission. The restructuring plan developed by the public
2 utilities commission is intended to, among other things:

- 3 (1) Increase and enhance the commission's policy analysis
4 and research capabilities;
- 5 (2) Create regulated industry-specific professional
6 positions to allow for focused expertise and cross-
7 functional workgroups;
- 8 (3) Allow professional staff to focus and specialize in
9 critical industries, while retaining the flexibility
10 to adapt to changes in markets and environments; and
- 11 (4) Update the organization to accurately reflect current
12 and foreseeable functional requirements, as well as to
13 enhance the commission's focus on customer issues and
14 concerns.

15 The purpose of this Act is to enhance the ability of the
16 public utilities commission to carry out its duties and
17 responsibilities by:

- 18 (1) Requiring the commission to restructure its operations
19 pursuant to the commission's December, 2006, report to
20 the legislature, to improve its effectiveness and
21 efficiency; and



1 (2) Appropriating funds to meet the costs incurred as a
2 result of the restructuring process.

3 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§269- Consideration of renewable energy. The public
7 utilities commission may consider the need for increased
8 renewable energy use in exercising its authority and duties
9 under this chapter."

10 SECTION 3. Section 269-3, Hawaii Revised Statutes, is
11 amended by amending subsection (a) to read as follows:

12 "(a) The chairperson of the public utilities commission
13 may appoint and employ clerks, stenographers, agents, engineers,
14 accountants, and other assistants for the public utilities
15 commission as the chairperson finds necessary for the
16 performance of the commission's functions and define their
17 powers and duties. The chairperson may appoint and, at
18 pleasure, dismiss a chief administrator and hearings officers as
19 may be necessary. Notwithstanding section [†]103D-209[†], the
20 chairperson shall appoint one or more attorneys independent of
21 the attorney general who shall act as attorneys for the
22 commission and define their powers and duties and fix their



1 compensation. The chief administrator, chief of policy and
2 research, chief of administrative support, chief of consumer
3 affairs and compliance, utility analysts, and attorneys shall be
4 exempt from chapter 76. Research assistants, economists, legal
5 secretaries, [~~utility analysts,~~] legal assistants, and
6 enforcement officers may be appointed with or without regard to
7 chapter 76. Other employees shall be appointed as may be needed
8 by the chairperson in accordance with chapter 76."

9 SECTION 4. (a) The public utilities commission shall
10 restructure its operations as provided for in part IV of the
11 public utilities commission's report to the legislature required
12 pursuant to Act 143, Session Laws of Hawaii, 2006.

13 (b) The restructuring shall include the following:

14 (1) The existing research section shall be expanded to
15 include policy support positions and functions, and
16 shall be renamed the office of policy and research;

17 (2) The consumer affairs and compliance section shall be
18 responsible for consumer relations and investigation
19 and enforcement activities of the public utilities
20 commission;

21 (3) The administrative support section shall be supervised
22 by the chief of administrative support and shall be



1 comprised of clerical services staff, case management
2 services staff, fiscal services staff, and information
3 technology staff;

4 (4) Staffing shall be increased with the addition of the
5 following positions:

6 (A) For fiscal year 2008-2009:

7 (i) A public utilities commission attorney shall
8 be responsible for providing, among other
9 things, legal support in petroleum dockets
10 and initiatives statewide, and for complaint
11 and inquiry handling;

12 (ii) A legal assistant shall assist the chief
13 counsel in all facets of legal work;

14 (iii) A data processing systems analyst V shall be
15 responsible for supervising information
16 technology services staff, administering the
17 document and docket management system, and
18 assisting with petroleum monitoring system
19 database management;

20 (iv) A legal clerk shall be responsible for case
21 management services clerical support,



1 assisting the chief clerk, and performing
2 duties as citation clerk;

3 (v) An auditor VI shall be responsible for
4 energy and petroleum dockets and issues and
5 for conducting field audit inspections;

6 (vi) An engineer V shall be responsible for
7 energy and petroleum dockets and issues,
8 energy utility field inspections, and
9 informal inquiry handling; and

10 (vii) A chief of consumer affairs and compliance
11 shall be responsible for supervising the
12 consumer affairs and compliance section; and

13 (B) For fiscal year 2009-2010:

14 (i) A public utilities commission attorney shall
15 be responsible for legal support in
16 telecommunications, dockets and issues,
17 legislative and rulemaking initiatives,
18 drafting and updating rules, and servicing
19 as a hearings officer;

20 (ii) A legal clerk shall be responsible for case
21 management services clerical support,



- 1 assisting the chief clerk, and performing
2 duties as citations clerk;
- 3 (iii) An account clerk III shall be responsible
4 for handling the pCard system, maintaining
5 physical inventory, keeping fiscal records,
6 and providing fiscal support for the
7 commission;
- 8 (iv) An auditor VI shall be responsible for
9 telecommunications and utility dockets and
10 related issues and conducting field audit
11 inspections;
- 12 (v) An engineer V shall be responsible for
13 telecommunications and utility dockets and
14 related issues, telecommunications and
15 utility field inspections, and pipeline
16 safety inspection; and
- 17 (vi) Two research assistants shall be responsible
18 for docket, non-docket, legislative, and
19 industry research, analysis, and reporting;
- 20 (5) Twelve existing positions shall be redescribed as
21 follows:



- 1 (A) An existing attorney shall be redescribed as
2 chief counsel to accurately reflect supervisory
3 functions of this position, including
4 responsibility and management of the office of
5 commission counsel, acting as a counsel to the
6 commission, and handling commission related media
7 correspondence;
- 8 (B) An existing research assistant position shall be
9 redescribed as chief of administrative support to
10 accurately reflect the administrative
11 responsibilities of the position, including
12 supervising clerical, case management, fiscal,
13 and information technology staff;
- 14 (C) An existing chief researcher shall be redescribed
15 as chief of policy and research to accurately
16 represent the additional responsibilities of the
17 policy arm of the policy and research services
18 section. The chief of policy and research will
19 manage the utility analysts, research assistants,
20 and economists; advise the commission on all
21 regulated industry related matters and government



- 1 policy; and oversee legislative initiatives,
- 2 media relations, and special projects;
- 3 (D) The chief engineer shall be increased from level
- 4 V to level VI to enable the commission to recruit
- 5 for the position at a higher level and to allow
- 6 staff level engineers to move to level V;
- 7 (E) The existing legal stenographer shall be
- 8 redescribed as a legal assistant to update this
- 9 position since stenographers are no longer
- 10 recruited due to outdated position descriptions;
- 11 (F) The existing clerk typist III position shall be
- 12 redescribed as a legal clerk to elevate the
- 13 qualifications of the position and to help meet
- 14 new functional requirements, including
- 15 maintenance of a new document and docket
- 16 management systems and increased citation
- 17 activity;
- 18 (G) An existing research assistant position shall be
- 19 redescribed as an investigator V to accurately
- 20 reflect senior-level responsibilities of the
- 21 position; and



1 (H) Five existing research assistants shall be
2 redescrbed as utility analysts to allow for
3 increased industry expertise and focus necessary
4 for the new policy-making function of the policy
5 and research section;

6 (6) The following temporary positions, relating to gas cap
7 and petroleum monitoring, shall be converted to
8 permanent positions to promote successful recruitment
9 and retention of qualified individuals:

10 (A) Public utilities commission economist;

11 (B) Public utilities commission attorney;

12 (C) Two utility analysts (previously research
13 assistants);

14 (D) Clerk typist II;

15 (E) Enforcement officer; and

16 (F) Secretary I; and

17 (7) Additional office space shall be leased and the office
18 relocated.

19 (c) Upon request by the public utilities commission, all
20 other state and county agencies shall assist the public
21 utilities commission in carrying out the provisions of this Act.
22 The department of human resources development shall work



1 cooperatively with the public utilities commission in renaming
2 or re-describing job descriptions as is deemed necessary by the
3 public utilities commission.

4 SECTION 5. There is appropriated out of the public
5 utilities commission special fund the sum of \$1,234,432, or so
6 much thereof as may be necessary for fiscal year 2008-2009, to
7 pay for restructuring expenses, including the addition of seven
8 full-time employee positions for fiscal year 2008-2009, as
9 specified in section 4 of this Act.

10 The sum appropriated shall be expended by the public
11 utilities commission for the purposes of this Act.

12 SECTION 6. This Act shall take effect on July 1, 2007.



Report Title:

Public Utilities Commission; Restructuring

Description:

Restructures the public utilities commission. Appropriates funds for restructuring costs, including additional positions, to allow the public utilities commission to improve its operations.

