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# 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. (a) Progressive energy policy-making at the  
2 state 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 unresponsive of efficient work flow or the matching of  
11 human resources to the required tasks.

12 (b) Act 143, Session Laws of Hawaii 2006, was passed to  
13 obtain 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 (c) The purpose of this Act is to enhance the ability of  
16 the 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; and

3 (3) Authorizing the public utilities commission to  
4 consider the need for increased renewable energy use  
5 in exercising its authority and duties.

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

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

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

15 "(a) The chairperson of the public utilities commission  
16 may appoint and employ clerks, stenographers, agents, engineers,  
17 accountants, and other assistants for the public utilities  
18 commission as the chairperson finds necessary for the  
19 performance of the commission's functions and define their  
20 powers and duties. The chairperson may appoint and, at  
21 pleasure, dismiss a chief administrator and hearings officers as  
22 may be necessary. Notwithstanding section [H]103D-209[H], the



1 chairperson shall appoint one or more attorneys independent of  
2 the attorney general who shall act as attorneys for the  
3 commission and define their powers and duties and fix their  
4 compensation. The chief administrator, chief of policy and  
5 research, chief of administrative support, chief of consumer  
6 affairs and compliance, utility analysts, and attorneys shall be  
7 exempt from chapter 76. Research assistants, economists, legal  
8 secretaries, [~~utility analysts,~~] legal assistants, and  
9 enforcement officers may be appointed with or without regard to  
10 chapter 76. Other employees shall be appointed as may be needed  
11 by the chairperson in accordance with chapter 76."

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

16 (b) The restructuring shall include the following:

- 17 (1) The existing research section shall be expanded to  
18 include policy support positions and functions, and  
19 shall be renamed the office of policy and research;
- 20 (2) The consumer affairs and compliance section shall be  
21 responsible for consumer relations and investigation



1 and enforcement activities of the public utilities  
2 commission;

3 (3) The administrative support section shall be supervised  
4 by the chief of administrative support and shall be  
5 comprised of clerical services staff, case management  
6 services staff, fiscal services staff, and information  
7 technology staff;

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

10 (A) For fiscal year 2008-2009:

11 (i) A public utilities commission attorney shall  
12 be responsible for providing, among other  
13 things, legal support in petroleum dockets  
14 and initiatives statewide, and for complaint  
15 and inquiry handling;

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

18 (iii) A data processing systems analyst V shall be  
19 responsible for supervising information  
20 technology services staff, administering the  
21 document and docket management system, and



- 1                    assisting with petroleum monitoring system
- 2                    database management;
- 3                    (iv) A legal clerk shall be responsible for case
- 4                    management services clerical support,
- 5                    assisting the chief clerk, and performing
- 6                    duties as citation clerk;
- 7                    (v) An auditor VI shall be responsible for
- 8                    energy and petroleum dockets and issues and
- 9                    for conducting field audit inspections;
- 10                    (vi) An engineer V shall be responsible for
- 11                    energy and petroleum dockets and issues,
- 12                    energy utility field inspections, and
- 13                    informal inquiry handling; and
- 14                    (vii) A chief of consumer affairs and compliance
- 15                    shall be responsible for supervising the
- 16                    consumer affairs and compliance section; and
- 17                    (B) For fiscal year 2009-2010:
- 18                    (i) A public utilities commission attorney shall
- 19                    be responsible for legal support in
- 20                    telecommunications, dockets and issues,
- 21                    legislative and rulemaking initiatives,



- 1 drafting and updating rules, and serving as  
2 a hearings officer;
- 3 (ii) A legal clerk shall be responsible for case  
4 management services clerical support,  
5 assisting the chief clerk, and performing  
6 duties as citations clerk;
- 7 (iii) An account clerk III shall be responsible  
8 for handling the pCard system, maintaining  
9 physical inventory, keeping fiscal records,  
10 and providing fiscal support for the  
11 commission;
- 12 (iv) An auditor VI shall be responsible for  
13 telecommunications and utility dockets and  
14 related issues and conducting field audit  
15 inspections;
- 16 (v) An engineer V shall be responsible for  
17 telecommunications and utility dockets and  
18 related issues, telecommunications and  
19 utility field inspections, and pipeline  
20 safety inspection; and





1           (vi) Two research assistants shall be responsible  
2           for docket, non-docket, legislative, and  
3           industry research, analysis, and reporting;

4       (5) Twelve existing positions shall be redescribed as  
5       follows:

6           (A) An existing attorney shall be redescribed as  
7           chief counsel to accurately reflect supervisory  
8           functions of this position, including  
9           responsibility and management of the office of  
10          commission counsel, acting as a counsel to the  
11          commission, and handling commission-related media  
12          correspondence;

13          (B) An existing research assistant position shall be  
14          redescribed as chief of administrative support to  
15          accurately reflect the administrative  
16          responsibilities of the position, including  
17          supervising clerical, case management, fiscal,  
18          and information technology staff;

19          (C) An existing chief researcher shall be redescribed  
20          as chief of policy and research to accurately  
21          represent the additional responsibilities of the  
22          policy arm of the policy and research services



1 section. The chief of policy and research will  
2 manage the utility analysts, research assistants,  
3 and economists; advise the commission on all  
4 regulated-industry-related matters and government  
5 policy; and oversee legislative initiatives,  
6 media relations, and special projects;

7 (D) The chief engineer shall be increased from level  
8 V to level VI to enable the commission to recruit  
9 for the position at a higher level and to allow  
10 staff level engineers to move to level V;

11 (E) The existing legal stenographer shall be  
12 redescribed as a legal assistant to update this  
13 position since stenographers are no longer  
14 recruited due to outdated position descriptions;

15 (F) The existing clerk typist III position shall be  
16 redescribed as a legal clerk to elevate the  
17 qualifications of the position and to help meet  
18 new functional requirements, including  
19 maintenance of a new document and docket  
20 management systems and increased citation  
21 activity;



1 (G) An existing research assistant position shall be  
2 redescrbed as an investigator V to accurately  
3 reflect senior-level responsibilities of the  
4 position; and

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

10 (6) The following temporary positions, relating to gas cap  
11 and petroleum monitoring, shall be converted to  
12 permanent positions to promote successful recruitment  
13 and retention of qualified individuals:

14 (A) Public utilities commission economist;

15 (B) Public utilities commission attorney;

16 (C) Two utility analysts (previously research  
17 assistants);

18 (D) Clerk typist II;

19 (E) Enforcement officer; and

20 (F) Secretary I; and

21 (7) Additional office space shall be leased and the office  
22 relocated.



1 (c) Upon request by the public utilities commission, all  
 2 other state and county agencies shall assist the public  
 3 utilities commission in carrying out the provisions of this Act.  
 4 The department of human resources development shall work  
 5 cooperatively with the public utilities commission in renaming  
 6 or re-describing job descriptions as is deemed necessary by the  
 7 public utilities commission.

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

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

16 SECTION 6. Statutory material to be repealed is bracketed  
 17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect on July 1, 2020.



**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. (SD1)

