

**TESTIMONY OF CARLITO P. CALIBOSO  
CHAIRMAN, PUBLIC UTILITIES COMMISSION  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE  
SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION AND AFFORDABLE HOUSING  
FEBRUARY 13, 2008**

**MEASURE: S.B. No. 3003**

**TITLE: Relating to Publication of Hearing Notices.**

Chair Kokubun and Members of the Committee:

**DESCRIPTION:**

This bill proposes to amend the law regarding notices of Public Utilities Commission ("Commission") public hearings in regulation of public utility rates and ratemaking procedures by reducing the scope of the publication from statewide, for all such hearing notices, to the county or counties on which the utility provides utility services. This bill additionally proposes to reduce the timing of the first of the three required notices from not less than twenty-one (21) days to fourteen (14) days before the proposed public hearing.

**POSITION:**

The Commission strongly supports this Administration bill and offers the following comments.

**COMMENTS:**

- **Currently, section 269-12, Hawaii Revised Statutes ("HRS"), requires the Commission to give three statewide notices of a public hearing regarding any proposed change or modification in a rate, fare, charge, classification, schedule, rule, or practice other than one established pursuant to an automatic rate adjustment previously approved by the Commission.**
  - This public notice must be published statewide even if the public utility to which the notice pertains, and the customers who are or may be affected, reside in one or more counties, but less than statewide.
  - Amending the law to provide that notice be published only in the county or counties which are served by the public utility seeking proposed changes or modification, and where the utility's customers to be affected reside, will reduce government waste by lowering the Commission's publication costs by as much as fifty percent per fiscal year.

- For example, for fiscal year 2006-2007, had the proposed change in scope of publication been in effect, the Commission would have reduced its advertising expense by approximately \$74,000, a savings of forty-five percent of the actual advertising expense of nearly \$135,000.
- Affected customers will continue to receive direct and adequate notice on public hearings. In addition to the requirements set forth in the bill, public utilities are required to directly notify their customers regarding upcoming public hearings on proposed changes or modifications in public utility rates, pursuant to section 269-12(c), HRS, which provides:

"The applicant or applicants shall notify their consumers or patrons of the proposed change in rates and of the time and place of the public hearing not less than one week before the date set, the manner and the fact of notification to be reported to the commission before the date of hearing."

Also, the Commission regularly publishes a notice of hearings on its website to keep utility customers and the general public informed.

- **This bill also seeks to change the timing of the first of the three required notices from twenty-one (21) days before the public hearing, to fourteen (14) days before the public hearing.**
  - The public hearing process can be a protracted one, and the reduction by seven days in the timing of the first required notice will still provide for adequate notice publication and reduce the time involved in what is sometimes a lengthy public hearing process.

Thank you for the opportunity to testify.