



*Informational Briefing  
Senate*

*Committee on Energy and Environment  
Committee on Commerce and Consumer Protection*

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*HECO POWER OUTAGE  
December 26, 2008*

*Public Utilities Commission  
State of Hawaii*

*Carlito P. Caliboso*

*Chairman*

*January 14, 2009*



# *Public Utilities Commission State of Hawaii*

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## *Regulation of Public Utilities:*

- Public utilities required to provide customers with reliable services at just and reasonable rates*
- Provide regulated companies with a fair opportunity to earn a reasonable rate of return*



# *Public Utilities Commission State of Hawaii*

- *Commission Created by Statute, HRS Ch. 269*
- *Functions of Commission*
  - *Quasi-Judicial*
  - *Rule-Making*
  - *Administrative*



## *Commissioners (3)*

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- *6 year staggered terms*
- *Governor Appointed, Senate Confirmed*
- *Commission Action by Majority (2 votes)*



# *Professional Staff*

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- *Administrative*
- *Audit*
- *Consumer Affairs & Compliance*
- *Engineering*
- *Legal Section*
- *Neighbor Island Representatives*
- *Policy and Research Section*



# *Industries Regulated by Commission*

- *Electricity*
- *Telecommunications*
- *Gas*
- *Water Utilities (Private)*
- *Wastewater Utilities (Private)*
- *Transportation - Water Carriers*
- *Transportation - Motor Carriers*
- *Petroleum Monitoring*



# *Commission General Powers and Duties*

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- *General supervisory power over public utilities under Chapter 269, HRS. HRS §269-6(a).*
- *Broad investigative powers to examine public utilities. HRS §269-7(a).*



# *Commission Investigative Proceeding*

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- *Investigation formally opened on January 12, 2009, Docket No. 2009-0005*
- *Parties:*
  - *HECO*
  - *Consumer Advocate*





# *Preliminary Issues in Investigation*

- *What caused the power outage?*
- *If caused by lightning, could HECO have reasonably prevented the power outage from initially occurring?*
- *Through reasonable measures, could HECO have prevented the power outage or prevented it from becoming island-wide?*
- *Could HECO have reasonably shortened the power outage and restored power more quickly to customers?*
- *How can HECO prevent and minimize similar power outages, and improve its response to power outages in the future?*
- *What penalties, if any, should be imposed on HECO?*



# *Initial Procedural Deadlines*

- *HECO to file all power outage briefing materials within 15 days.*
- *Deadline to intervene is 20 days from opening of investigation. HAR § 6-61-57(3)(B).*
- *Proposed prehearing schedule due 15 days after intervention deadline; or 30 days after an order addressing any motions to intervene.*