

HAWAII RENEWABLE ENERGY ALLIANCE

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**TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII
RENEWABLE ENERGY ALLIANCE BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE**

HB 2642, RELATING TO UTILITIES REGULATION

February 3, 2010

Chair Herkes, Vice-Chair Wakai and members of the Committee I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is an industry-based, nonprofit corporation in Hawaii established in 1995. Our mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of our goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of HB 2642 is to appropriate moneys for the reorganization of the PUC and the division of consumer advocacy.

HREA strongly supports this measure for the following reasons:

1. PUC and CA Scope of Work. As discussed in the preamble to this measure, the scope of work for both the PUC and the CA have expanded greatly in recent years, in large part due to the amount of policies that have been sent from the Legislature to the PUC for implementation, and more recently due to agreements reached in the HCEI.
2. Funding for the PUC and CA. We understand that the special fund for the PUC and CA is supported by fees paid by utility customers on their bills. We also understand that the amount collected often exceeds the requested from and authorized budgets for the PUC and the CA, and that the excesses are returned to the state's general fund. Thus, we support expanding the budgets from the PUC and the CA to the amount needed for staff and expenses to meet their growing work load. Given that these funds are typically "available" in the special fund, we support their allocation immediately for the budget needs of the PUC and CA.
3. State Energy Goals. Additional resources are needed immediately in order for our state to move more rapidly towards energy independence.

Thank you for this opportunity to testify.

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**TESTIMONY OF CARLITO P. CALIBOSO
CHAIRMAN, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
FEBRUARY 3, 2010**

MEASURE: H.B. No. 2642
TITLE: Relating Utilities Regulation

Chair Herkes and Members of the Committee:

DESCRIPTION:

This bill appropriates moneys for the reorganization of the Public Utilities Commission ("Commission") and the Division of Consumer Advocacy ("DCA").

POSITION:

The Commission appreciates the support for the Commission that is proposed in this bill and the recognition of the need for regulatory resources to attain important and high priority goals of the State, subject however, to the more detailed review of this proposal within the entire budget by the Department of Budget and Finance.

COMMENTS:

- The Commission is appreciative of the support that this bill lends towards effecting the restructuring plan set forth in the Commission's Act 143, Session Laws of Hawaii ("SLH") 2006, Report ("Report") submitted to the Legislature in December 2006 and Act 177, SLH 2007.
- The Commission agrees that improving the capabilities of regulatory bodies is essential to successful implementation of current and future energy policy reform. As stated in the Report, in addition to traditional regulatory responsibilities, the Commission's role in regulatory and policy matters has been changing recently with increased responsibility in many important policy and administrative matters, with an emphasis in energy policy. As such, the restructuring and relocation proposals detailed in the Report are required to enable the Commission to efficiently and effectively carry out its statutory duties. The Commission believes that making the Commission as effective as possible will greatly benefit the public interest.
- The Commission also supports funding the DCA's reorganization plan as detailed in Act 183, SLH 2007. As an ex officio party to any proceeding before the Commission, the DCA's ability to perform its duties and responsibilities efficiently has a direct impact on the Commission's operational efficiency and effectiveness.

Thank you for the opportunity to testify.

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