

CONFERENCE COMMITTEE REP. NO.

1

Honolulu, Hawaii

APR 21 2011 , 2011

RE: S.B. No. 98
S.D. 2
H.D. 1
C.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 98, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WATER CARRIERS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify the existing requirement for a finding of present or future public convenience and necessity for the issuance of a certificate of public convenience and necessity to a water carrier.

Your Committee on Conference finds that applications for entry into the regulated water carrier market require in-depth analyses of specific issues of public convenience and necessity to ensure that successful applications serve the public interest and protect communities from the risk of harm.



In reviewing applications to offer new services within the existing regulatory environment, the Public Utilities Commission must ensure that the entry of new services and service providers does not erode the underpinnings of the regulatory framework or threaten future investment in service and infrastructure in a manner that risks the loss of existing services.


Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Commission shall not make a finding of public convenience and necessity nor issue a certificate if the evidence in the record indicates that the issuance of the certificate would diminish an existing water carrier's ability to realize its allowed rate of return or if the certificate would allow an applicant to serve only high-margin or high-profit ports or lines of service that are currently served by an existing carrier;
- (2) Inserting an effective date of July 1, 2011; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 98, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 98, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE



JOSEPH M. SOUKI, Co-Chair



ROBERT N. HERKES, Co-Chair



MARCUS R. OSHIRO, Co-Chair

ON THE PART OF THE SENATE



J. KALANI ENGLISH, Chair



ROSALYN H. BAKER, Co-Chair



