

HB2644 HD2

Measure Title: RELATING TO THE PUBLIC UTILITIES COMMISSION.

Report Title: Public Utilities Commission; Best Practices; Appropriation

Description: Requires the Public Utilities Commission to implement best practices in the areas of regulatory frameworks, rules and procedures, and information technology and public access. Appropriates funds to implement best practices. Effective July 1, 2030. (HB2644 HD2)

Companion: [SB2427](#)

Package: None

Current Referral: CPN, WAM

Introducer(s): SOUKI, HERKES, MCKELVEY

<u>Sort by Date</u>		Status Text
1/24/2012	H	Pending introduction.
1/25/2012	H	Introduced and Pass First Reading.
1/25/2012	H	Referred to CPC, FIN, referral sheet 8
1/26/2012	H	Bill scheduled to be heard by CPC on Monday, 01-30-12 2:00PM in House conference room 325.
1/30/2012	H	The committees on CPC recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 12 Ayes: Herkes, Yamane, Brower, Coffman, Ito, Keith-Agaran, Luke, McKelvey, Souki, Tsuji, Ching, Marumoto; Ayes with reservations: none; 0 Noes: none; and 3 Excused: Cabanilla, Carroll, Thielen.
2/7/2012	H	Reported from CPC (Stand. Com. Rep. No. 170-12) as amended in HD 1, recommending passage on Second Reading and referral to FIN.
2/7/2012	H	Passed Second Reading as amended in HD 1 and referred to the committee(s) on FIN with none voting aye with reservations; none voting no (0) and Takai excused (1).
2/24/2012	H	Bill scheduled to be heard by FIN on Monday, 02-27-12 4:00PM in House conference room 308.
2/28/2012	H	The committees on FIN recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 16 Ayes: Representative(s) Oshiro, M. Lee, Choy, Cullen, Giugni, Har, Hashem, Ichiyama, Jordan, Kawakami, C.

		Lee, Morikawa, Tokioka, Yamashita, Marumoto, Riviere; Ayes with reservations: none; Noes: none; and 1 Excused: Representative(s) Ward.
3/2/2012	H	Reported from FIN (Stand. Com. Rep. No. 947-12) as amended in HD 2, recommending passage on Third Reading.
3/2/2012	H	Forty-eight (48) hours notice Tuesday, 03-06-12.
3/6/2012	H	Passed Third Reading as amended in HD 2 with none voting aye with reservations; none voting no (0) and none excused (0). Transmitted to Senate.
3/8/2012	S	Received from House (Hse. Com. No. 277).
3/8/2012	S	Passed First Reading.
3/8/2012	S	Referred to CPN, WAM.
3/9/2012	S	The committee(s) on CPN has scheduled a public hearing on 03-16-12 9:00AM in conference room 229.

TESTIMONY OF HERMINA MORITA
CHAIR, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
SENATE COMMITTEE ON
COMMERCE & CONSUMER PROTECTION

MARCH 16, 2012

MEASURE: H.B. No. 2644, H.D. 2

TITLE: Relating to the Public Utilities Commission

Chair Baker and Members of the Committee:

DESCRIPTION:

This measure proposes to increase the Commission's budget by an unspecified amount for fiscal year ("FY") 2012-2013 to enable the Commission to implement best practices in the following areas: 1) use of innovative regulatory frameworks; 2) updating of administrative rules; and 3) improvement of internal workflow with new information technologies. The measure requires the Commission to submit reports annually to the Legislature on the progress of developing the required best practices.

POSITION:

The Commission supports the intent of the bill and would like to offer the following comments for consideration by the Committee.

COMMENTS:

The Commission has worked over the last few years to improve and enhance its operations through the updating and implementing of internal processes that have shortened the time requirements for regulatory action; by developing innovative regulatory frameworks, particularly relating to energy; in conducting an internal initiative to update all of the Commission's administrative rules; and by establishing its Document Management System and other enhanced technological capabilities, such as electronic filing and payment, meant to improve both internal efficiency and public access to the regulatory process.

We would request the Committee consider amending the reporting provision of this measure to require that the Commission include in its 2012 and 2013 annual reports, as required under HRS § 269-5, an update on its progress in implementing best practices, instead of ongoing separate annual progress reports required in House Draft 2.

The Commission also requests that the Committee appropriate a sufficient level of funding – similar to the amount this Committee approved in passing S.B. No. 2427, S.D. 1 – to carry out this measure’s broad requirements for best practices for “all [C]ommission activities, both internal and external.”

The Commission defers to the Legislature on whether it is best to appropriate funding for this measure from the general revenues of the State or from the public utilities commission special fund under HRS § 269-33 (“PUC Special Fund”). Should the Committee determine it best to move this measure forward and change the funding source as noted, the Commission would ask the Legislature to ensure that this measure’s appropriation come from excess amounts in the PUC Special Fund and not from necessary appropriations made for operations of the Commission and the Consumer Advocate.

Thank you for the opportunity to testify on this measure.