

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

July 3, 2013

GOV. MSG. NO. 1363

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

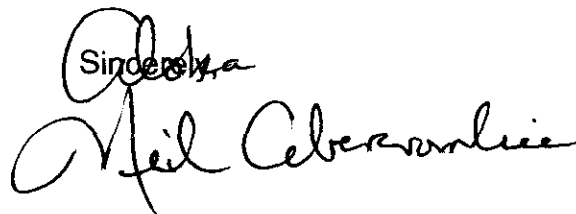
The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 3, 2013, the following bill was signed into law:

HB1405 HD2 SD2 CD1

RELATING TO THE PUBLIC UTILITIES
COMMISSION
ACT 260 (13)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The legislature finds that transparency in the
3 process of purchasing renewable electricity generated from
4 nonfossil fuel sources serves the interests of independent power
5 producers who compete to sell energy to the energy utilities and
6 the rate-paying public by creating an opportunity for review and
7 oversight of the public utilities commission's decision-making
8 process.

9 The purpose of this part is to increase transparency in
10 power purchase contracts for renewable energy by requiring the
11 public utilities commission to include a summary of power
12 purchase agreements, including pricing, in effect during the
13 applicable fiscal year in its annual report to the governor.

14 SECTION 2. Section 269-5, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§269-5 Annual report and register of orders.** The public
17 utilities commission shall prepare and present to the governor,
18 through the director of finance, in the month of January in each



1 year a report respecting its actions during the preceding fiscal
2 year. This report shall include summary information and
3 analytical, comparative, and trend data concerning major
4 regulatory issues acted upon and pending before the commission;
5 cases processed by the commission, including their dispositions;
6 utility company operations, capital improvements, and rates;
7 utility company performance in terms of efficiency and quality
8 of services rendered; a summary of power purchase agreements,
9 including pricing, in effect during the fiscal year;
10 environmental matters having a significant impact upon public
11 utilities; actions of the federal government affecting the
12 regulation of public utilities in Hawaii; long and short-range
13 plans and objectives of the commission; together with the
14 commission's recommendations respecting legislation and other
15 matters requiring executive and legislative consideration.
16 Copies of the annual reports shall be furnished by the governor
17 to the legislature. In addition, the commission shall establish
18 and maintain a register of all its orders and decisions, which
19 shall be open and readily available for public inspection, and
20 no order or decision of the commission shall take effect until
21 it is filed and recorded in this register."



1 PART II

2 SECTION 3. Section 269-121, Hawaii Revised Statutes, is
3 amended to read as follows:

4 "**§269-121 Public benefits fee authorization.** (a) The
5 public utilities commission, by order or rule, may require that
6 all or a portion of the moneys collected by Hawaii's electric
7 utilities from its ratepayers through a demand-side management
8 surcharge be transferred to a third-party administrator
9 contracted by the public utilities commission. The moneys
10 transferred shall be known as the public benefits fee.

11 (b) The public benefits fee shall be used to support
12 ~~[energy efficiency]~~ clean energy technology, demand response
13 technology, and energy use reduction, and demand-side management
14 infrastructure, programs, and services, subject to the review
15 and approval of the public utilities commission. These moneys
16 shall not be available to meet any current or past general
17 obligations of the State; provided that the State may
18 participate in any ~~[energy efficiency or]~~ clean energy
19 technology, demand response technology, or energy use reduction,
20 and demand-side management infrastructure, programs, and
21 services on the same basis as any other electric consumer.



