

STAND. COM. REP. NO.

1549

Honolulu, Hawaii

April 5, 2013

RE: S.B. No. 1045
S.D. 1
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1045, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC COOPERATIVES,"

begs leave to report as follows:

The purpose of this measure is to clarify the regulatory authority of the Public Utilities Commission over electric cooperatives by:

- (1) Directing the Public Utilities Commission and the Division of Consumer Advocacy to specifically consider the ownership structure and interests of an electric cooperative in determining the scope and need for the application of any regulatory measure; and
- (2) Authorizing the Public Utilities Commission to waive or exempt an electric cooperative operating in the State from certain regulatory provisions by the Public Utilities Commission upon a finding that the provisions are inappropriate, unjust, unreasonable, or not in the public interest.

The Public Utilities Commission, Division of Consumer Advocacy, and the members of the Kauai County Council testified in support of this measure. Kauai Island Utility Cooperative

SB1045 HD2 HSCR CPC HMS 2013-3153



testified in support of the intent of the measure. The Blue Planet Foundation testified in opposition to this measure.

Your Committee has amended this measure by deleting the language that specified that the granting of a waiver or exemption to an electric cooperative by the Public Utilities Commission does not affect the right of electric cooperative members or ratepayers to file a complaint with the Public Utilities Commission against an exempted electric cooperative, inasmuch as the right to file a complaint is provided in the rules of the Public Utilities Commission.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1045, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1045, S.D. 1, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



