

STAND. COM. REP. NO. 1300-16

Honolulu, Hawaii

March 23, 2016

RE: S.B. No. 2776
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2776, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION,"

begs leave to report as follows:

The purpose of this measure is to address issues relating to service as a Commissioner on the Public Utilities Commission.

More specifically, this measure:

- (1) Authorizes the attendance of Commissioners of the Public Utilities Commission at hearings, other than contested case hearings, by teleconference or videoconference for:
 - (A) Commissioners that reside on an island other than Oahu to attend hearings held on Oahu; and
 - (B) Commissioners that reside on Oahu to attend hearings held on islands other than Oahu;
- (2) Clarifies public notice and quorum requirements with respect to public hearings held by teleconference or videoconference;



- (3) Provides for per diem compensation for Commissioners that reside on an island other than Oahu for the days on which actual service is rendered; and
- (4) Authorizes the use of a person's island of residence as a criterion when determining the person's qualification to serve as a Commissioner.

The Division of Consumer Advocacy and Young Brothers testified in support of this measure. The Public Utilities Commission and Hawaii Energy Policy Forum provided comments on this measure.

Your Committee has amended this measure by:

- (1) Mandating the Public Utilities Commission to adopt rules regarding the attendance of Commissioners at hearings, other than contested case hearings, by teleconference or videoconference;
- (2) Authorizing a Commissioner to be reimbursed for reasonable travel and lodging expenses; and
- (3) Specifying that the provisions of this measure relating to the authorization of the attendance of Commissioners of the Public Utilities Commission at hearings, other than contested case hearings, by teleconference or videoconference, compensation for Commissioners that reside on an island other than Oahu, and use of a person's island of residence as a criterion when determining the person's qualification to serve as a Commissioner shall take effect on January 1, 2018.

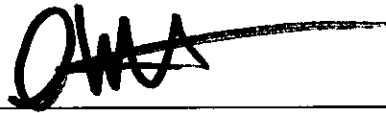
Your Committee notes that the Public Utilities Commissioner testified that exercising the option to attend public hearings via teleconference or videoconference could be costly, particularly if the service employed would afford a level of functionality and reliability similar to that which could be expected as if the commissioner were physically present. Therefore, your Committee has delayed the implementation date regarding the option to attend public hearings via teleconference or videoconference until January 1, 2018 to allow the Public Utilities Commission ample time to prepare, including through the adoption of rules.

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. 2776, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2776, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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



ANGUS L.K. MCKELVEY, Chair



