

HB1851 HD1

Measure Title:	RELATING TO THE PUBLIC UTILITIES COMMISSION.
Report Title:	Public Utilities Commission; Commissioners; Neighbor Island Resident; Per Diem; Teleconference; Videoconference
Description:	Requires at least one of the three members of the Public Utilities Commission (PUC) to be a resident of a county other than the City and County of Honolulu and receive per diem compensation. Allows commissioners to participate in PUC public hearings via teleconference and videoconference. (HB1851 HD1)
Companion:	SB2641
Package:	None
Current Referral:	CPH, WAM
Introducer(s):	EVANS, C. LEE, MCKELVEY



DAVID Y. IGE
GOVERNOR
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TO THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION,
AND HEALTH

THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016

TUESDAY, MARCH 22, 2016
9:30 A.M.

TESTIMONY OF JEFFREY T. ONO, EXECUTIVE DIRECTOR, DIVISION OF
CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER
AFFAIRS, TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE

HOUSE BILL NO. 1851, H.D. 1 - RELATING TO THE
PUBLIC UTILITIES COMMISSION

DESCRIPTION:

This measure proposes to require at least one of the three members of the Public Utilities Commission ("Commission") to be a resident of a county other than the City and County of Honolulu and receive per diem compensation. This measure also proposes to allow a commissioner to participate in Commission public hearings via teleconference and videoconference.

POSITION:

The Division of Consumer Advocacy ("Consumer Advocate") supports the intent of this bill.

COMMENTS:

The Commission is responsible for protecting the interests of consumers and regulated utilities on all islands. The decisions of the Commission, especially in the energy field, will have a profound effect upon this state for years to come. It is, therefore, of utmost importance to have the most qualified individuals, irrespective of where they reside, serve as commissioners on the Commission.

The Consumer Advocate recognizes that a commissioner who resides on a neighbor island could provide an important perspective to the decision-making process of the Commission. An individual's island of residence should be one criteria to determine that individual's qualification to serve as a commissioner. To make it a requirement that one commissioner reside on a neighbor island could eliminate from consideration other more qualified individuals based on this residency requirement. The Consumer Advocate therefore supports the current Senate version of this bill, SB 2776, S.D. 1, because it changed the neighbor island residency requirement to a factor to be considered in selecting all commissioners

The Consumer Advocate would also point out that where an individual previously lived and grew up may be equally important to that individual's perspective as to where that individual currently resides. In other words, someone who grew up on the neighbor islands, but who currently resides on Oahu, may have a closer affinity to the neighbor islands than someone who recently moved there.

In order to encourage neighbor island residents to serve on the Commission, neighbor island commissioners should not be financially disadvantaged compared to their Oahu counterparts. The Consumer Advocate therefore supports the provision in this legislation that requires a per diem compensation to neighbor island commissioners.

The Consumer Advocate further supports the provision in this legislation that allows for teleconference or videoconference participation by commissioners to attend public hearings. The Consumer Advocate suggests that the decision to allow teleconference or videoconference participation be left to the discretion of the Chair of the Commission, because there may be certain instances where teleconference or videoconference is impractical or inappropriate.

Thank you for this opportunity to testify.

TESTIMONY OF RANDY IWASE
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII
TO THE
SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND HEALTH

March 22, 2016
9:30 AM

MEASURE: H.B. No. 1851, H.D. 1

TITLE: RELATING TO THE PUBLIC UTILITIES COMMISSISON

Chair Baker and Members of the Committee:

DESCRIPTION:

This measure would require at least one member of the Public Utilities Commission (“Commission”) to be a resident of a county other than the city and county of Honolulu and would provide that commissioner with an unspecified per diem compensation “for the days on which actual service is rendered.” This measure would also allow commissioners to attend public hearings held on islands that they do not reside by teleconference or video conference.

POSITION:

The Commission offers the following comments for the Committee’s consideration.

COMMENTS:

The Commission is presently composed of only three (“3”) members. Given its limited size, the Governor should be given wide discretion in appointing qualified members. That discretion is recognized and provided for in our present statute.

The Commission appreciates the intent of providing the Commission with the option to allow a commissioner to attend public hearings held on islands that they do not reside via teleconference or video conference. However, there are certain hearings where all three commissioners should always be physically present. For example, the Commission believes that all three commissioners should always be physically present at contested case hearings. The Commission also notes that establishing the ability for commissioners

to attend hearings via teleconference and/or video conference could be costly, particularly if the service employed would afford a level of functionality and reliability similar to that which could be expected if the commissioner were physically present.

Finally, the Commission notes that providing per diem compensation for commissioners who are residents of a county other than the city and county of Honolulu is fair given the costs associated with working outside one's county of residence. Compensation for lodging and transportation should also be considered.

Thank you for the opportunity to testify on this measure.



COLLEGE OF SOCIAL SCIENCES
HAWAII ENERGY POLICY FORUM
UNIVERSITY OF HAWAI'I AT MĀNOA

Hawaii Energy Policy Forum

Jeanne Schultz Afuvai, Hawaii Inst. for Public Affairs
Karlie Asato, Hawaii Government Employees Assn
Joseph Boivin, Hawaii Gas
Warren Bollmeier, Hawaii Renewable Energy Alliance
Michael Brittain, IBEW, Local Union 1260
Albert Chee, Chevron
Elizabeth Cole, The Kohala Center
Kyle Datta, Ulupono Initiative
Mitch Ewan, UH Hawaii Natural Energy Institute
Jay Fidell, ThinkTech Hawaii
Carl Freedman, Haiku Design & Analysis
Matthias Fripp, REIS at University of Hawaii
Ford Fuchigami, Hawaii Dept of Transportation
Mark Glick, Hawaii State Energy Office, DBEDT
Justin Gruenstein, City & County of Honolulu
Dale Hahn, Ofc of US Senator Brian Schatz
Michael Hamnett, SSRI at University of Hawaii
Senator Lorraine Inouye, Hawaii State Legislature
Randy Iwase, Public Utilities Commission
Ashley Kaono, Ofc of US Representative Tulsi Gabbard
Jim Kelly, Kauai Island Utility Cooperative
Darren Kimura, Energy Industries
Kelly King, Sustainable Biodiesel Alliance
Kal Kobayashi, Maui County Energy Office
Representative Chris Lee, Hawaii State Legislature
Gladys Marrone, Building Industry Assn of Hawaii
Stephen Meder, UH Facilities and Planning
Hermina Morita, Energy Dynamics
Sharon Moriwaki, UH Public Policy Center
Tim O'Connell, US Dept of Agriculture
Jeffrey Ono, Division of Consumer Advocacy, DCCA
Stan Osserman, HCATT
Darren Pai, Hawaiian Electric Companies
Melissa Pavlicek, Hawaii Public Policy Advocates
Randy Perreira, Hawaii Government Employees Assn
Rick Reed, Hawaii Solar Energy Assn
Cynthia Rezentes, Ofc of US Representative Mark Takai
Rick Rocheleau, UH Hawaii Natural Energy Institute
Will Rolston, Hawaii County, Research & Development
Riley Saito, SunPower Systems
Scott Seu, Hawaiian Electric Companies
Joelle Simonpietri, US Pacific Command Energy Ofc
H. Ray Starling, Hawaii Energy
Ben Sullivan, Kauai County
Lance Tanaka, Par Hawaii, Inc.
Maria Tome, Public Utilities Commission
Alan Yamamoto, Ofc of US Senator Mazie Hirono

Testimony of the
Hawaii Energy Policy Forum
Before the

Senate Committee on Commerce, Consumer Protection, and Health
Tuesday, March 22, 2016 at 9:30am in Conference Room 229

Comments on HB1851 HD1, Relating to The Public Utilities Commission

Chair Baker, Vice-Chair Kidani, and Members of the Committee,

The Hawaii Energy Policy Forum ("HEPF"), created in 2002, is comprised of over 40 representatives from Hawaii's electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. Our vision, mission and comprehensive "10 Point Action Plan" guide us in moving Hawaii toward its preferred energy goals and our comments on this bill.

HB1851 HD1 requires at least one of the three Public Utilities Commissioners ("PUC") to be a resident of a county other than the city and county of Honolulu and receive per diem compensation and allows a commissioner to attend commission hearings by teleconferencing or videoconferencing.

While neighbor island residency may well be an appropriate consideration in the appointment of commissioners and their confirmation by the Senate, there should be no determinant criteria that at least one commissioner be a resident of any island. Rather, the most important determinant should be the most qualified individuals regardless of where they live in the State. A candidate's experience and qualifications, including where they have lived and for how long, should be the considerations taken into account, rather than where they currently reside.

If a neighbor island resident is selected as commissioner, the HEPF fully supports their participation at hearings through additional financial support for travel and reasonable living allowance for time spent on Oahu as well as use of teleconferencing and videoconferencing.

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies.

From: mailinglist@capitol.hawaii.gov
To: [CPH Testimony](#)
Cc: skaye@runbox.com
Subject: *Submitted testimony for HB1851 on Mar 22, 2016 09:30AM*
Date: Friday, March 18, 2016 1:45:15 PM

HB1851

Submitted on: 3/18/2016

Testimony for CPH on Mar 22, 2016 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
sally kaye	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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