

GM 703

Measure Title: Submitting for consideration and confirmation to the Public Utilities Commission, Gubernatorial Nominee, THOMAS GORAK, for a term to expire 06-30-2022.

Report Title: Public Utilities Commission

Description:

Companion:

Package:

Current Referral: CPH

Introducer(s):



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
**SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND
HEALTH**

Friday, April 21, 2017
10:00 a.m.
State Capitol, Conference Room 016

in consideration of
GM 703

**SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE PUBLIC
UTILITIES COMMISSION, GUBERNATORIAL NOMINEE, THOMAS GORAK, FOR
A TERM TO EXPIRE 6-30-2022.**

Chair Baker, Vice Chair Nishihara, and Members of the Committee:

The Department of Business, Economic Development & Tourism (DBEDT), **supports** the confirmation of Thomas Gorak to the Public Utilities Commission.

Mr. Gorak served as Chief Counsel to the Public Utilities Commission from September 2013 to June 2016. He has demonstrated his commitment to serving the best interests of the people of Hawaii through his role in various Public Utilities Commission dockets and proceedings such as the Power Supply Improvement Plan and Distributed Energy Resources dockets. These proceedings among others have driven a positive shift in energy planning and deployment that is increasingly aligned with state energy policy.

Mr. Gorak brings a broad wealth of experience to the Public Utilities Commission. He has been involved with utility regulatory matters for over 30 years as legal counsel, consultant, and expert speaker. He has a deep understanding of current energy issues in Hawaii, built from over 14 years of experience in the state.

Thank you for the opportunity to provide testimony in strong support of Mr. Gorak's nomination.



Before the Senate Committee on Commerce, Consumer Protection, and Health
Friday, April 21, 2017; 10 a.m., room 016
GM 703: Submitting for consideration and confirmation to Public Utilities Commission.

Aloha Chair Baker, Vice Chair Nishihara, and members of the Committee,

On behalf of the Distributed Energy Resources Council of Hawaii (“DER Council”), I would like to testify in support for the confirmation of Thomas Gorak as commissioner for the Hawaii Public Utilities Commission. The DER Council is a nonprofit trade organization formed to assist with the development of distributed energy resources and smart grid technologies which will support an affordable, reliable, and sustainable energy supply for Hawaii.

As a nonprofit trade organization with intervener status in several energy dockets currently before the commission, we have a keen interest in ensuring that the commission operate as effectively and efficiently as possible to provide timely and well-informed decisions. As of today, the DER Council awaits the decisions from the commission on both the final PSIP just filed by the utility, and on several matters in an ongoing agenda with the DER docket. These dockets are complex and stand to have a significant impact on Hawaii’s direction and progress towards our clean energy goals, in addition to the impact on local industry and renewable energy choices available to customers. Also, several other dockets are currently in process that will be considered by the commission by the close of this year, including the final approval for the utilities’ Demand Response Program, and a decision on the fate of the Utilities smart grid application, which was rejected by the commission earlier this year, and will be submitted for reconsideration in June of 2017.

We support the confirmation of Thomas Gorak for the position of commissioner because we believe that he has a deep understanding of the various complexities involved in these energy issues. Given his experience as PUC general counsel and his ongoing involvement with the dockets, his appointment as commissioner would ensure a seamless transition such that Mr. Gorak can continue with the work in which he is already engaged. In addition, Mr. Gorak has always acted with a high degree of professionalism and fairness, and we believe that he would be an excellent asset for the commission.

Thank you for the opportunity to testify
Leslie Cole-Brooks
Executive Director
Distributed Energy Resources Council of Hawaii



Hawai'i Energy

YOUR CONSERVATION & EFFICIENCY PROGRAM

1132 Bishop Street, Suite 1800 • Honolulu, Hawai'i 96813 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the State Senate Committee on Commerce, Consumer Protection, and Health
Friday, April 21, 2017, 10:00 A.M., Room 016

Dear Honorable Committee Chair Baker, Vice-Chair Nishihara, and Members of the State Senate Committee on Commerce, Consumer Protection, and Health,

Thank you for this opportunity to submit written testimony.

On behalf of the Hawai'i Energy program, we would like to testify in strong **support** of the confirmation of Tom Gorak as Hawai'i Public Utilities Commission (PUC) Commissioner.

Hawai'i Energy works to empower island families and businesses on behalf of the PUC to make smart energy choices in order to reduce energy consumption, save money, and pursue a 100% clean energy future for our state.

Since 2009, the Hawai'i Energy program has worked closely with numerous commissioners. Mr. Gorak represents a candidate who is uniquely qualified to help Hawai'i reach its clean energy goals. Over the past three years, Hawai'i Energy has had the opportunity to work directly with Mr. Gorak both in his role as PUC chief counsel and most recently as interim commissioner. It has been our experience that Mr. Gorak is committed to the duties of the Commission, without an agenda or prejudice.

Mr. Gorak's qualifications are impressive. Mr. Gorak has more than three decades of experience in public utilities regulation, on the national and local levels. Given his years with the Hawai'i PUC, Mr. Gorak is well-versed on the issues currently facing our state and the active dockets before the Commission.

It has been gratifying working with Mr. Gorak as he possesses a deep understanding of the complex issues impacting our state's energy sector, which is valuable to the Commission, the energy industry, and the people of Hawai'i.

It is for these reasons the Hawai'i Energy program strongly supports the confirmation of Mr. Gorak as PUC Commissioner.

Thank you again for the opportunity to testify.

Brian Kealoha
Executive Director
Hawai'i Energy

Yvette Maskrey
Residential Program Director
Hawai'i Energy



4/21/2017 Senate Committee on Commerce, Consumer Room 016
Protection, and Health

10:00 a.m. TESTIMONY IN SUPPORT GM 703

Dear Chair Baker, Vice Chair Nishihara, and Members of the Committee:

The Hawaii PV Coalition strongly supports the appointment of Thomas Gorak to the Public Utilities Commission.

Mr. Gorak is a highly respected member of Hawaii's energy policy community with decades of experience in regulatory matters related to the electric power sector. He is nationally recognized for his knowledge of the various issues confronting regulators in this sector, and also as a thoughtful, careful decisionmaker.

The current situation in Hawaii's electric power sector makes it especially important that the public interest be safeguarded by staffing key regulatory positions with experts such as Mr. Gorak who are able to engage authoritatively with the relevant issues. During the course of Mr. Gorak's proposed term Hawaii will confront once-in-a-generation (and in some cases once-in-a-century) issues that defy easy decisionmaking. These include but are not limited to: the appropriate business model for investor-owned utilities; the deployment of smart utility metering systems; the role of energy storage technologies at both the grid and distribution scale; proper interconnection policies and compensation regimes for localized generating resources such as PV; and the right mechanisms to achieve the State's de-carbonization mandate.

These and other issues facing the Commission are characterized by an opaque mixture of engineering, economic, and legal elements that defy straightforward decisionmaking based on established regulatory practice. Rather, matters such as these can only be decided in the public's interest by bringing sectoral knowledge and experience to bear on novel issues because regulators are unable to rely on established practice or templates. Mr. Gorak is particularly well qualified for the tasks at hand due to his decades of regulatory experience in and outside of Hawaii.



In short, the Hawaii PV Coalition strongly recommends Mr. Gorak to the Committee as an individual whose representation on the Public Utilities Commission will enhance its stature, strengthen the quality of its decisionmaking, and improve Hawaii's energy future.

Thank you for the opportunity to offer these comments

Mark Duda
President, Hawaii PV Coalition

The Hawaii PV Coalition was formed in 2005 to support the greater use and more rapid diffusion of solar electric applications across the state. Working with business owners, homeowners and local and national stakeholders in the PV industry, the Coalition has been active during the state legislative sessions supporting the use of renewable energy and helping inform elected representatives about the benefits of Hawaii-based solar electric applications.

IBEW1260

‘A‘OHE HANA NUI KE ALU ‘IA

April 20, 2017

The Twenty-Ninth Legislature, State of Hawaii
Hawaii State Senate
Committee on Commerce, Consumer Protection and Health

Chair Baker, Vice Chair Nishihara and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO (IBEW1260), represents more than 3500 members working in the utility, outside construction, cable, telecom and maintenance industries throughout the State of Hawaii and respectfully offers the following testimony in **STRONG SUPPORT** of GM703 which seeks confirmation of Thomas Gorak to the Hawaii Public Utilities Commission (PUC), for a term ending June 30, 2022.

With over thirty-seven years practicing law at both the federal and state levels, specializing in public utility regulation, including several years as the PUC Chief Counsel and current position as interim PUC Commissioner, confirmation of Mr. Gorak will serve to benefit all interested parties served by Hawaii's Public Utility Commission. Additionally, as Hawaii moves towards its renewable energy future, within our rapidly changing electrical industry, Mr. Gorak, along with Commissioner Akiba and Chair Iwase form a highly capable Commission able to represent the interest of Hawaii's people.

For these reasons, IBEW1260 respectfully ask the Committee to confirm Thomas Gorak as the next Hawaii PUC Commissioner. Mahalo for the opportunity to provide testimony on this issue.

Respectfully,



Michael M. Brittain
Asst. Business Manager
IBEW1260 / AFL-CIO



Email: communications@ulupono.com

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, & HEALTH
Friday, April 21, 2017 — 10:00 a.m. — Room 016

Ulupono Initiative Strongly Supports GM 703, Submitting for consideration and confirmation to the Public Utilities Commission, Gubernatorial Nominee, Thomas Gorak, for a term to expire 6-30-2022

Dear Chair Baker, Vice Chair Nishihara, and Members of the Committee:

We are Murray Clay, Kyle Datta, and Amy Hennessey, the management team of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports GM 703, which approves the confirmation of Thomas Gorak to the Public Utilities Commission.

Tom Gorak has been serving the public interest with electric utility regulation for over two decades. He has the depth of experience to understand the regulatory issues facing the Public Utilities Commission and how to view them from multiple perspectives. Tom has shown through his work and the quality of his written opinions, the ability to listen to all sides and strike the balance that serves to further the interests of the State of Hawai'i. Furthermore, he is a man of integrity. The appointment would be the capstone of his career.

While we share the Legislature's discomfort in both the manner and the timing of Mr. Gorak's interim appointment, the process by which commissioners are appointed can be addressed by legislation. Indeed, this very committee proposed a bill this session that would have done so.

We believe we should separate the concerns of the process with the qualities of the man, and his fitness for public service. We are impressed with Mr. Gorak's work and feel he would make a great member of the Public Utilities Commission. We look forward to working with him in the future.

Investing in a Sustainable Hawai'i

999 Bishop Street, Suite 1202 | Honolulu, Hawai'i 96813 ☎ 808.544.8960 📠 808.432.9695 | www.ulupono.com



Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Kyle Datta
General Partner

Amy Hennessey
Director of Communications



SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Attn: Chair Rosalyn H. Baker & Vice Chair Clarence K. Nishihara

RE: GM703, Testimony in Support of Confirmation of Thomas C. Gorak as
Commissioner of the Public Utilities Commission

April 17, 2017, 10:00 a.m.
Conference Room 016

Aloha Chair Baker & Vice Chair Nishihara:

Earthjustice supports the confirmation of Thomas C. Gorak as Commissioner of the Public Utilities Commission.

Earthjustice's Mid-Pacific Office has engaged for almost a decade on clean energy issues and in numerous Commission proceedings in Hawai'i. Our attorneys have regularly interfaced and worked with the Commission and its staff and the various parties and stakeholders in this arena, and have also known Mr. Gorak for years since when he was in private practice, and later when he became chief counsel to the Commission in 2013 and an interim Commissioner last year. Other attorneys in our mainland offices also know Mr. Gorak from his decades of work in the energy field. In addition, I personally worked with Mr. Gorak in 2014, when I served as a legal intern for the Commission, and Mr. Gorak was my supervisor.

Achieving Hawai'i's clean energy goals including 100% renewable energy by 2045 will require visionary, knowledgeable, and dedicated leaders with experience in the rapidly evolving, complex, and inter-disciplinary field of utility regulation. Based on our experience and objective observations, we believe Mr. Gorak is committed to these goals and the interests of customers and the public and possesses the extensive qualifications, skills, and temperament necessary for leading the Commission and state in this critical path and period for Hawai'i's clean energy transformation.

We therefore support Mr. Gorak's confirmation.

Very truly yours,

Kylie W. Wager
Isaac H. Moriwake

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

April 21, 2017
10:00 a.m.

MEASURE: Gov. Msg. No. 703

TITLE: Submitting for consideration and confirmation to the Public Utilities Commission, Gubernatorial Nominee, THOMAS GORAK, for a term to expire 06-30-2022.

Chair Baker and Members of the Committee:

Please permit me to take this means to submit my testimony in STRONG SUPPORT of the nomination of Tom Gorak to serve as Commissioner for the Public Utilities Commission ("PUC").

You have before you his resume which clearly establishes his outstanding credentials to serve. Let me just state here that the experience and background reflected in his resume is and has been demonstrated in his work here at the PUC - as the commission's chief counsel and now as interim commissioner – on a daily basis.

I got to know Mr. Gorak when I assumed the position of PUC Chair in 2015. During my two years, the PUC has had to confront complex and sometimes controversial cases. We had the massive Nextera case. We continue to work on what I call the four major Dockets - PSIP, DER, DR and Decoupling. The Commission's action on these cases, both individually and collectively, will set the critical road map to achieve our states renewable energy and energy efficiency goals by 2045 and 2030 respectively. It will not be easy. It will not be without disagreement on strategy and tactics. We will need the help and input from level headed, experienced, visionary people who are committed to our state energy goals, and to our people. Importantly, here at the PUC, we will need people who can and are willing to sift through all the submissions and opinions and have the courage to make a decision and stand by that decision.

Tom Gorak is all of the above. He has demonstrated his knowledge as an attorney representing both the private and public sectors in utility matters. He also, given his

experience on the public-sector, fully understands the role of the public regulator – to fairly balance the interest of the utility and interest of the public.

Over the next year the PUC's caseload will be extremely challenging. We will not only continue our work on the 4 major dockets but we will also be involved in cases addressing "Time of Use", Community Base Renewable Energy, and efforts to more aggressive pursue programs to address Energy Efficiency issues if we are to meet our goal. Additionally, for the first time in several years the Commission will have before it several rate dockets filed by the electric utilities.

All of these cases, as you are aware, are complex and time consuming cases. Mr. Gorak's skill, and experience will be extremely valuable if the commission is to move forward with efficiency and in a timely fashion.

Finally, about Mr. Gorak the person. Tom and his wife Teresa - who is also an attorney and who worked on the public-sector side of utility law – have a deep and abiding commitment to protect the interest of the people. They both devoted a good portion of their professional lives in the public sector doing just that. I'm quite certain that Teresa will always remind Tom about that!

Tom and Teresa chose to come and live in Hawaii because they fell in love with our state and our people. Having now worked with Mr. Gorak on several important cases, I know and can attest that upper most in his mind, in each and every one of these cases, is that our decision is fair to the people of our state.

I respectfully request that the committee support the nomination of Tom Gorak.

Thank you.



Randall Y. Iwase

From: mailinglist@capitol.hawaii.gov
To: CPH Testimony
Cc: lkakatsu@hawaii.rr.com
Subject: Submitted testimony for GM703 on Apr 21, 2017 10:00AM
Date: Tuesday, April 18, 2017 6:22:25 AM

GM703

Submitted on: 4/18/2017

Testimony for CPH on Apr 21, 2017 10:00AM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Murakami-Akatsuka	Individual	Support	No

Comments: I strongly support GM 703 for passage. He will serve the PUC well as he has in the past year. Thank you for the opportunity to testify.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Mark B. Glick

Testimony of Mark B. Glick

before the
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

Friday, April 21, 2017
10:00 a.m.
State Capitol, Conference Room 016

in consideration of
GM 703

RELATING TO THE CONFIRMATION OF THOMAS GORAK TO THE HAWAII PUBLIC UTILITIES COMMISSION

Chair Baker, Vice Chair Nishihara, and Members of the Committee.

I strongly support the confirmation of Thomas Gorak to the Hawaii Public Utilities Commission.

In my professional roles as the State of Hawaii's Energy Administrator and now as a faculty member of the University of Hawaii and energy policy and innovation specialist at the Hawaii Natural Energy Institute, I have had the opportunity to work with Thomas Gorak in his appointed position as Commissioner and in his previous role as chief counsel, when he ably served the Commission as chief legal and regulatory advisor. In that capacity, he built and mentored the legal team responsible for interpreting Executive Branch and Legislative policies and overseeing crucial decisions affecting Hawaii's highly regarded energy transformation efforts.

During that time, he brought deeply needed clarity and structure to the Commission's agenda and decision-making. This was at a pivotal time when Hawaii achieved parity with California and New York on renewable energy policy and deployment, and led the nation in a number of critical performance measures, per capita, including the aggregate value of energy savings performance contracts, solar installations, and electric vehicle charging infrastructure. Hawaii, then and now, is charting new ground in its regulatory approach to achieving unprecedented levels of renewable energy in Hawaii's six independent electrical grid systems. While the Commission's work was extremely challenging and subject to a significant amount of scrutiny from energy stakeholders, Mr. Gorak used

247 Beach Walk #1101
Honolulu, HI 96815

Mark B. Glick

his considerable skills as a staff attorney with the Maryland People's Counsel and as a private attorney in Washington, D.C. to responsibly manage its portfolio of energy proceedings. It did not go unnoticed in Hawaii or abroad about the manner in which Mr. Gorak appropriately and effectively questioned witnesses and was able to draw out the most relevant issues in one of most important regulatory matters in Hawaii's history, the application for change of control of Hawaiian Electric Industries to Nextera.

It is without question that Commissioner Gorak has the most intimate knowledge and experience on energy regulation among the current Commission, based largely on his 37-year record of dealing with organizations and regulatory bodies such as the Federal Energy Regulatory Commission on behalf of his numerous clients in public utility matters. Clearly, this knowledge and experience are essential ingredients in moving Hawaii's energy transformation forward while ensuring that ratepayers are better off in terms of electricity costs, reliability, security, and potential to support Hawaii's economic future.

In his comments to the Hawaii Energy Policy Forum in January of 2017, Commissioner Gorak displayed the depth of knowledge of the Commission's priorities and measures necessary to expand consumer choice, new grid services and infrastructure to meet Hawaii's clean energy transformation agenda, and to build new rate structures and utility compensation models to support these changes. The Commission needs Mr. Gorak's proven expertise in utility regulation to effectively stage and phase the multitude of simultaneous proceedings in finalizing utility plans, incorporating greater amounts of distributed energy, establishing equitable rate structures and ensuring that Hawaii continues to make progress on its statutory obligations to become more energy self-sufficient.

Thank you for this opportunity to testify in support of Thomas Gorak's confirmation to the Hawaii Public Utilities Commission.

247 Beach Walk #1101
Honolulu, HI 96815

To: Whom It May Concern

Re: Letter of Recommendation for the Honorable Thomas C. Gorak

Without any reservations I highly recommend the honorable Thomas C. Gorak to serve the state of Hawaii as a Commissioner on the Public Utilities Commission of Hawaii.

For over 25 years as an officer of the National Association of Regulatory Utility Commissioners (NARUC) and currently in my 16th year as President of NARUC Commissioners Emeritus, I have known and worked with Tom Gorak. Mr. Gorak has earned a national and international reputation for his expertise and achievements in the utility world.

As an attorney for Maryland People's Counsel, for a prominent DC Law firm, and as Chief Counsel to the Hawaii Commission, Thomas C. Gorak has demonstrated his excellent ability to make sound and reasonable decisions. He will be an asset to the Commission and the State of Hawaii.

Kindest regards,

Dr. Edward H. Salmon
Chairman
Salmon Ventures, Ltd.
600 G Street, Suite 400
Millville, NJ 08332
856-825-0500 (O)
609-760-3394 (C)
856-825-8228

TESTIMONY OF
John E. Cole

TO THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION,
AND HEALTH

THE TWENTY-NINTH LEGISLATURE
Regular Session of 2017
Friday, April 21, 2017
10:00 A.M.

TESTIMONY IN SUPPORT OF GOVERNOR'S MESSAGE 703
Nomination of Thomas C. Gorak
to the Hawaii Public Utilities Commission

TO THE HONORABLE ROSALYN H. BAKER, CHAIR
AND MEMBERS OF THE COMMITTEE

My name is John Cole, and I am happy to testify in strong support of Thomas Gorak's nomination to the Hawaii Public Utilities Commission.

I have known Mr. Gorak for several years, first, when I was a commissioner on the Hawaii Public Utilities Commission, through his involvement in commission policy dockets as a consultant to a Party. Mr. Gorak always contributed positively to the Commission's understanding of the issues before it, thus enabling more informed decision-making. I've also known Mr Gorak in his roles as commission chief counsel, and most recently as an interim commissioner. In all these roles he has never displayed anything but the utmost professionalism and a deep knowledge of the often complex technical aspects of public utility systems and their regulation. I believe his experience and understanding is nearly impossible to match in this State, and will be indispensable in the coming years, as the Commission addresses the very challenging issues we presently face.

I can say without hesitation that Mr. Gorak is a person of solid character and integrity and will make an excellent Commissioner. I strongly urge you to favorably consider his nomination.

Jeffrey C. Genzer
10319 Royal Road
Silver Spring, MD 20903

April 19, 2017

VIA HAND DELIVERY

The Honorable Rosalyn H. Baker, Chair
Committee on Commerce, Consumer Protection, and Health
Conference Room 230

Re: Nomination to Thomas Gorak to the Hawaii Public Utilities Commission

Dear Chair Baker:

I strongly endorse the confirmation of Thomas Gorak to serve on the Hawaii Public Utilities Commission. I have been involved in energy activities since 1978, and I can honestly say that of all the energy lawyers I know, Tom Gorak is the single, most effective and intelligent energy lawyer that I have ever met. I offer my highest possible recommendation to Tom Gorak.

I have known Tom since his days working with the Office of People's Counsel in the State of Maryland, where he represented the interest of ratepayers in matters before the Public Service Commission of Maryland. He always put the interest of consumers and ratepayers first. He always was protective of the special needs of low-income Americans. He deeply understands the role of regulators and the need for thoughtful adjudication of matters.

Since he moved to Hawaii, he has done highly effective work, consistent with his earlier body of work before the Maryland Public Service Commission and the Federal Energy Regulatory Commission. As one energy lawyer to another, I have always been impressed by Tom's great skill in addressing both the more conventional needs of energy consumers, and the unique approaches needed to deal with the difficult energy problems and innovative policies required in Hawaii.

Tom has my highest possible recommendation.

Thank you for your consideration.

Respectfully submitted.

Jeffrey C. Genzer

Cc: Members of the Committee

TESTIMONY OF
James P. Griffin, Ph.D.

TO THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

THE TWENTY-NINTH LEGISLATURE
Regular Session of 2017
Friday, April 21, 2017
10:00 A.M.

TESTIMONY IN SUPPORT OF GOVERNOR'S MESSAGE 703
Nomination of Thomas C. Gorak
to the Hawaii Public Utilities Commission

TO THE HONORABLE ROSALYN H. BAKER, CHAIR
AND MEMBERS OF THE COMMITTEE

My name is James Griffin and I am submitting this testimony in strong support of Thomas Gorak's nomination to become a Commissioner at the Hawaii Public Utilities Commission ("HPUC" or "Commission"). The State of Hawaii is privileged to have a candidate who is so exceptionally qualified:

- Mr. Gorak has more than three decades of experience in energy law;
- Mr. Gorak has deep, first-hand knowledge of current issues before the HPUC;
- Mr. Gorak shows an unwavering commitment to public service; and
- Mr. Gorak holds the highest standards of ethics and personal integrity.

I first met Mr. Gorak in 2013 when I was the Chief of Policy and Research for the Commission and former Chair Morita asked him to become Chief Counsel. With his distinguished career in energy law and experience teaching regulatory principles at National Association of Regulatory Utility Commissioners (NARUC) educational programs, Mr. Gorak was a highly qualified candidate for the position; however, what impressed the senior management staff most was his deep passion for public service and his eagerness to mentor new legal staff in the practice of energy and regulatory law. After the interview, our senior management staff, with enthusiastic support from then-Chair Morita, unanimously agreed that he was the best candidate for the job, and fortunately for the Commission, Mr. Gorak accepted.

As Chief Counsel, Mr. Gorak and I worked together closely through a highly dynamic and challenging period at the Commission, and during this time, I was able to witness his exemplary work ethic and devotion to public service—valuable attributes that he demonstrated every day. When Mr. Gorak was hired, the Commission had a significant backlog of open cases, and his legal section was understaffed to meet the demands of this workload. To turn this around, he worked tirelessly to process the backlog of cases, invested a considerable amount of time to hire new staff attorneys, and personally trained them to practice law at the high standards typically demanded in private practice.

This was also a period where the Commission set forth one of the most ambitious regulatory agendas in the country to support Hawaii's energy transformation from deep oil dependence to a global leader in clean energy. Again, Mr. Gorak's steadfast work ethic and decades of experience in energy law were vital. Under Mr. Gorak's oversight as Chief Counsel, and with unanimous support from all three

Commissioners, the Commission initiated several of the major energy planning dockets that are still underway and will shape the future of Hawaii's energy sector. This deep institutional knowledge of and participation in these important proceedings are indispensable, underscoring why Mr. Gorak is the most suitable nominee to become a Commissioner.

The last quality that I would like to discuss is Mr. Gorak's personal integrity. The timing and circumstances of Mr. Gorak's interim appointment have been controversial and criticized by some stakeholders in Hawaii's energy community. I would like to ask the members of this Committee to differentiate the candidate before you from these events and focus on his qualifications for this position. In my experience working side-by-side for several years, Mr. Gorak's character and integrity are his most outstanding traits. They are the reasons why after many years of practicing energy law he has earned the respect of his colleagues both locally and outside Hawaii, which is evident in the testimony that you have received. Furthermore, during his time at the Commission, he has successfully recruited and retained staff, whereas, in the past, high turnover was a persistent challenge.

In summary, in making this decision, I urge you to look closely at Mr. Gorak's professional record and recent service to the Commission. With his qualifications, I trust that Mr. Gorak will serve the State of Hawaii with distinction during this important period when the Commission will solidify a path to achieving the state's clean energy goals. I believe that if you focus on these factors you will find that he is an ideal match for this position and can support his nomination.

April 19, 2017

Senator Rosalyn H. Baker, Chair
Senator Clarence K. Nishihara, Vice Chair
Senate Committee on Commerce, Consumer Protection and Health

RE: GM 703 - Tom Gorak, Gubernatorial Nominee To The Public Utilities
Commission, Friday April 21, 2017, 10:00 am, Conference Room 016

Chair Baker, and Vice Chair Nishihara and Members of the Committee:

I am writing in support of Mr. Tom Gorak's appointment to the Public Utilities Commission. After 30 years of service with the state, 26 years with the PUC, 18 as chief auditor, I retired in December 2016. However, since 2013, I have had the opportunity to work with Mr. Gorak and during this time, Mr. Gorak has provided valuable insight and knowledge of utility regulatory issues.

In addition to his regulatory background and professional qualifications, I believe that Mr. Gorak will continue to bring consistency and experience to the Commission. With the many changes and challenges in the regulatory environment and the complex and critical issues now facing the Commission, Mr. Gorak's past knowledge and experience will allow the Commission to continue to address all of these important regulatory issues.

I believe that Mr. Gorak's knowledge of the regulatory process and dedication, are just some of the qualities that will continue to make him an exceptional member of the Public Utilities Commission.

In conclusion, I urge your committee to confirm Mr. Gorak's appointment. Thank you for your consideration on this matter.

Sincerely,



Steven Iba
PUC Chief Auditor, Retired December 2016

Testimony of Carl Freedman, Haiku Design and Analysis

4234 Hana Hwy., Haiku, HI 96708

To the

COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Senator Rosalyn H. Baker, Chair
Senator Clarence K. Nishihara, Vice Chair

Friday, April 21, 2017 10 a.m.
Conference Room 016
State Capitol, 415 South Beretania Street

Regarding: GM 703

Consideration and confirmation to the Public Utilities Commission, Gubernatorial Nominee,
for a term to expire 06-30-2022:

THOMAS GORAK,

TESTIMONY IN SUPPORT OF CONFIRMATION

My name is Carl Freedman. I live on Maui and currently work actively as a consultant to the Public Utilities Commission and the Hawaii Energy Policy Forum. Over a period of over 25 years, I have worked on matters before the Hawaii PUC, as a public interest stakeholder and as a consultant, at various times representing a spectrum of clients, including the Division of Consumer Advocacy, several large utility customers, Hawaii regulated utilities, the Rocky Mountain Institute, and most recently, directly advising the Commission. I have presented expert testimony, participated in evidentiary hearings or worked directly for the PUC under the tenure of six of the eight Hawaii PUC chairs: Chair Naito, Chair Yamada, Chair Kimura, Chair Caliboso, Chair Morita and Chair Iwase. I currently directly advise the PUC Commissioners and staff on a range of subjects, including resource planning and procurement, ratemaking mechanisms, and policy matters generally.

I am testifying today in support of Thomas Gorak's confirmation.

Mr. Gorak is a unique and valuable asset to the commission. Very few persons anywhere, in any jurisdiction, are as well suited to this job as Mr. Gorak. As his resume shows, he has a background of many decades of regulatory experience in utility regulatory matters. This depth of experience is rare amongst the candidates that have been nominated to serve as a Hawaii PUC commissioner.

Importantly, Mr. Gorak has a strong case of what I call "regulatory DNA." This is a distinctive combination of inherent understanding and attitude that puts the protection of the public interest as a first and foremost priority. The exceptional value of this characteristic is difficult to express. Beyond seeing regulation as a matter of slicing a pie fairly between utility and ratepayer interests, Mr. Gorak has a fundamental understanding of the complex inter-workings of utility economics, incentives and practices and an innate focus on how these should be regulated to protect and promote good outcomes for the general public.

I recognize and am saddened by the conflicts, perceived conflicts, anonymous and private accusations, and the outside politics associated with recent history at the Commission and the appointment of Mr. Gorak as an interim commissioner replacing Commissioner Champley (who, I would add, also stands out as a rare, exceptionally qualified and public-minded commissioner). I have worked extensively and closely with commissioners Morita, Champley and Gorak, in each case for years before,

as well as during, their tenures on the commission. I maintain a constructive, positive and friendly ongoing relationship with each of these great public servants. It truly saddens me that some “un-unravelable” history, steeped in the context of the inherently problematic institutional dynamics of the Commission, has resulted in some personal animosities and seemingly over-amplified public attention.

It is my hope, that Mr. Gorak’s confirmation will be based on his merits and a forward-looking outlook. This should not be a matter of any political or procedural issues with the Governor or the Governor’s removal of Mr. Champley from the commission. It should not be a matter of any past animosities. It should not be a matter of the merits of the “American-flag process” or, more generally, of Chair Iwase’s management at the Commission. If we need to work to improve the Commission as an institution, by all means we should do so. None of these things, however, to the extent they may be of concern, bear on what is best regarding the confirmation of Mr. Gorak to the Commission.

As things stand now, from my own experience and what I see working with the staff and commissioners on a regular basis, Mr. Gorak’s service as a commissioner contributes to a workable and productive atmosphere at the commission. Mr. Gorak is highly respected by the staff and is well liked. He brings good humor to the office. He is self-effacing and gives lots of credit to staff for the work performed by the Commission. He is clear, constructive and supportive regarding providing necessary critical feedback to staff on draft documents and work products (by which he well addresses what is always a potential rubbing point in the dynamics of life at the Commission). He reads the voluminous evidence and pleadings that come before the Commission diligently and thoughtfully. He expresses his concerns clearly, listens to others, collaborates and compromises. He is competent. He works with the best interests of the public welfare at heart.

In short, Mr. Gorak is productive, constructive, right-minded and good to work with.

If enough water can be left to flow under the bridges, and we can focus forward on what is best for the Commission, and ultimately for the utilities, customers and the public welfare, I believe that your committee clearly should confirm and allow Mr. Gorak to continue his service as a PUC Commissioner.

Respectfully submitted,

Carl Freedman, Haiku Design & Analysis

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, April 19, 2017 12:38 PM
To: CPH Testimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for GM703 on Apr 21, 2017 10:00AM*

GM703

Submitted on: 4/19/2017

Testimony for CPH on Apr 21, 2017 10:00AM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	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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Testimony on GM703

Hearing April 21, 2017, 10:00 a.m.

Honorable Chair Baker, Vice-Chair Nishihara and Committee Members

My name is Ralph Imai and I am testifying in support of the nomination of Thomas Gorak for Commissioner, Public Utilities Commission. I am a staff engineer at the PUC with over 40 years' experience in the utility industry. I have worked with Mr. Gorak over the past year and I believe Mr. Gorak will bring substantial value and expertise to the PUC. He is uniquely qualified for the position and will serve the public interest admirably. I believe the following qualities make him ideal for the position:

Experience – As others will point out Mr. Gorak has an extensive background in utility regulation. More importantly, he is familiar and well versed with the technical and policy issues on current and upcoming dockets before the PUC. Hawaii's energy issues are complex, multi-disciplinary and far reaching. Decisions by the PUC will impact the people of Hawaii far into the future. It is important that the new commissioner be knowledgeable and understand the consequences and future implications of any decision.

Integrity – I have found Mr. Gorak to be fair and reasonable in his assessment of matters before the Commission. In my interaction with him, I know him to have strong principles and values. In difficult situations, you can count on him to do the right thing. This is a testament to the person he is.

Inclusive – An important element in the dockets before the Commission is the input of many stakeholders, concerned parties and the public. Mr. Gorak believes in an inclusive process and encourages consideration of the views of others. With the other Commissioners, you can count on the Commission to conduct a fair and open hearing of the issues.

Forward thinking – Mr. Gorak is forward thinking and supports new regulatory concepts such as performance based ratemaking. He is a creative thinker and seeks to find new approaches to solve new issues. As we move forward on the path to energy independence, many believe that the utilities must evolve to a new business model. As the regulated utilities change, so must the PUC change and encourage and guide new direction.

Supportive of Commission Staff – Lastly, Mr. Gorak has always promoted development of Commission Staff and has actively pursued adequate staffing to meet the demands of the many dockets before the Commission. We appreciate his support and assistance in our efforts to analyze, research and develop recommendations.

The PUC has a large responsibility to chart the energy future of the State. In order to achieve the goal of 100% renewable energy, the Commission will have to assess long term energy plans and planning, the large capital expenditures needed to reach 100% renewable, and the technical challenges that will have to be solved. We need the skill, care and passion that Mr. Gorak is currently providing as an interim Commissioner. For the above reasons, I strongly support the nomination of Mr. Thomas Gorak. Thank you for the opportunity to testify.

Gorham | Gold | Greenwich Associates
Management Consultancy

Dubai Singapore Kansas City London Berlin

April 20, 2017

Submitted via e-mail 04.20.17

Senator Rosalyn Baker
Chair
The Committee on Commerce, Consumer Protection and Health
Hawaii State Senate
415 South Beretania Street
Honolulu, Hawaii 96813

Madam Chair and Members of the Committee:

It is with great pleasure that I write to you to express my support for Mr. Thomas Gorak, Esq. – recently nominated by Governor David Ige for appointment to the State of Hawaii Public Utilities Commission -- as Commissioner. It is my opinion, and that of many others, that Attorney Gorak brings the prerequisite qualifications, pertinent experience, personal integrity and professional dedication essential to such a position of public trust.

I am pleased to add my name to those who have already expressed their full support of this nomination. I have had the privilege of working closely with Attorney Gorak on behalf of the Hawaii Public Utilities Commission and can personally attest to his diligence and dedication to the people and institutions of the State of Hawaii. Attorney Gorak's standards of respect, objectivity and fairness are unquestionable; and have afforded him the ability as the Commission's Counsel to achieve resolution to matters of long-standing concern to the people of Hawaii; matters that others were unable to resolve. I expect the same perseverance and commitment to progress that he evidenced as the Commission's Counsel will continue in his tenure as Commissioner.

Attorney Gorak's qualifications clearly evidence the experience and expertise essential to fulfilling the increasingly arduous duties and obligations of this office. His long-standing body of professional work in the regulated utility sector affords him the perspective and professionalism so critical to charting the path to Hawaii's energy future. Hawaii should feel fortunate to have a person of Attorney Gorak's character and qualification that believes serving the public is both a duty and an honor.

In my professional opinion, Attorney Gorak is one of the finest candidates that the State of Hawaii can ever hope to attract; and one of the best policy professionals that I have been privileged to work with over 40 years of advising regulators and regulated utilities.

In summary, I am confident – with appointment to the State of Hawaii Public Utilities Commission – Attorney Gorak will ensure commitment and congruity to the HPUC’s transformational work, and effect an incalculable benefit to the welfare of the State of Hawaii for generations to come. I wish you the best in your deliberations and look forward to your expeditious confirmation of Attorney Gorak’s appointment to the Hawaii Public Utilities Commission. If there are any questions, please feel to contact me at any time.

Respectfully,

Gregory Loyd Mann
Managing Vice-President
Gorham | Gold | Greenwich Associates

TO THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
TWENTY-NINTH LEGISLATURE

Regular Session of 2017

Friday, April 21, 2017

10:00 a.m.

TESTIMONY ON GOVERNOR'S MESSAGE NO. 703, SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE PUBLIC UTILITIES COMMISSION, GUBERNATORIAL NOMINEE, **THOMAS GORAK**, FOR A TERM TO EXPIRE 6-30-2022.

To the Honorable Rosalyn H. Baker, Chair, and Members of the Committee:

Thank you for the opportunity to provide testimony in **strong support** of the nomination of Thomas Gorak to serve as Commissioner of the Hawaii Public Utilities Commission. All of the undersigned have worked with Tom, in his previous capacity as Chief Counsel of the Commission, and in his current capacity as an Interim Commissioner. Tom's credentials in the field of public utility law and regulation, and contributions to the Commission's daily decision-making and longer-term strategic vision, make him an invaluable regulator and colleague. You have received a copy of his resume, which describes his many decades of experience on topics that the Commission must address every day. This experience has helped to guide the Commission as it considers the complex technical, financial, policy, and legal issues inherent in major energy dockets, which directly affect the State's ability to achieve its ambitious renewable energy goals.



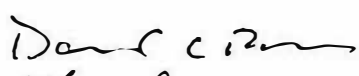





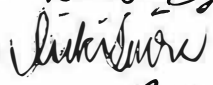
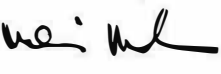


What is not readily apparent from reading Tom's resume, are his contributions to the morale, productivity, and spirit of the Commission. In his previous role as Chief Counsel, Tom hired and fostered a highly motivated, communicative, and collegial Legal Staff, who work as a team to carry a large, difficult workload, while providing insight and support to each other. The cohesiveness of this Legal Staff, which continues today, has had positive effects on the work product, strategic vision, and day-to-day operations of the entire office. This has helped facilitate beneficial collaboration between the Legal Staff and the Research, Audit,

Engineering, and Compliance Staff, which enables us to take on the often-challenging tasks that fall within the Commission's purview. In this environment, Tom has taught us how to think about and develop creative solutions to complex regulatory issues, worked with us to solve problems, and helped us all to remain cognizant of the big picture and the interconnectedness of the matters before us while doing so.

Tom carefully reads the record and closely examines the issues in every docket that comes before him, and he has an open-door policy that encourages staff to walk into his office to talk about wide-ranging topics from relevant utility issues to The Beatles.

Tom's jokes, poems, rock 'n roll references, movie quotes, encouraging words, and positive attitude elevate morale in the office, and remind us that no matter how busy we are, we must always remember to be patient and kind to each other. He treats people in the office with courtesy and respect, and approaches staff, regardless of their position within the Commission, as equals. He has inspired us to innovate, learn from, and trust each other, and his considerate leadership has been integral in shaping the Commission.

For these reasons and many more, Tom has made, and will continue to make, a great Commissioner, and he has our strong support. Thank you for this opportunity to provide testimony.

Caroline Ishida		Matt McDonnell	
David Parsons		Shannon Mears	
Michael Azama		Anand Samtani	
Jessica Freedman		David Taga	
Mark Kaetsu		Miki Taira	
Melissa Mash		Mike Wallerstein	
Nikki Matsumura			

David Veltri

A handwritten signature in black ink that reads "David Veltri". The letters are cursive and connected, with a prominent loop at the end of the word "Veltri".

Samantha Ruiz

A handwritten signature in black ink that reads "Samantha Ruiz". The signature is written in a cursive style with a large, stylized initial "S" and a distinct "R" for "Ruiz".

TESTIMONY
FOR THOMAS C GORAK (TCG)
GM703

I have been a practicing management consultant for 30 years. I competed nationally for, and won a Fulbright Teaching Award (2003-04) to lecture in India. My book Understanding Defects in New Homes which is based on my doctoral dissertation will soon be uploaded on Amazon. I'm also a licensed professional engineer in the state of Hawaii.

I was associated with TCG for several years on a Not-for-Profit board which he headed for some time. We met at least once a month; participated in analyzing issues and made decisions. I can recall at least three issues which called for unbiased approach for resolution. As a consultant (and engineer) I believe in data and analytics. TCG and the board fortunately supported me on this score and made several assigned tasks easier to accomplish.

TCG impressed me as an independent thinker. He is focused and not swayed by extraneous considerations. He has raised the level of esteem for attorneys in my estimation. Technology does not fret him and he supplements information for others where needed. These attributes are hard to find.

I earnestly hope for his confirmation by the Senate.

Krish K. Dubey Ph.D.,P.E.

THERESA CZARSKI
12804 DULANEY VALLEY ROAD
GLEN ARM, MD 21057
443-838-0727
tczarski@gmail.com

APRIL 20, 2017

Senator Diane Baker, Chair
Senator Clarence K. Nishihara, Vice-Chair
Committee on Commerce, Consumer Protection, and Health
Hawaii State Legislature

Re: **Nomination of Thomas Gorak to Public Utilities Commission, GM 703**
Hearing Date April 21, 2017

Dear Senators Baker and Nishihara:

I write to urge a favorable vote regarding the nomination of Thomas Gorak to the Public Utilities Commission. I have known Mr. Gorak since 1987 when I was assigned to work with him as his law clerk at the Maryland Office of People's Counsel. During the two years I worked with him, I gained invaluable experience in the arcane field of public utility law. Due to his mentorship, I began to seriously consider that specialization in this field might be a good career path. I am proud to say that 28 years later, the path that Mr. Gorak set me on has allowed me to continue to serve the residential utility customers as Deputy People's Counsel. There is a direct line between his guidance and encouragement and my professional success.

Mr. Gorak has always taken an interest in promoting the professional practice of public utility law. For years, he taught courses at the National Association of Regulatory Utility Commissioners (NARUC). Having attended the course myself, I can tell you that his presentations were a highlight for attendees.

A quick glance at his curriculum vitae should convince you that the people of Hawaii could not find a more well-qualified or knowledgeable person for your Commission. Despite his many professional accomplishments, Mr. Gorak remains the humble, unassuming public servant he has always been. I urge you to confirm him as a Public Utility Commissioner.

Very truly yours,

Theresa Czarski
Theresa Czarski

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, April 20, 2017 6:38 AM
To: CPH Testimony
Cc: skaye@runbox.com
Subject: Submitted testimony for GM703 on Apr 21, 2017 10:00AM

GM703

Submitted on: 4/20/2017

Testimony for CPH on Apr 21, 2017 10:00AM in Conference Room 016

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

Comments: While I may not have agreed with every decision Mr. Gorak made (especially in the area of Neighbor Island participation)I found him to be straightforward, honest, fair, and most importantly, eminently qualified to be a PUC Commissioner. I strongly support his confirmation.

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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Senate Committee on Commerce, Consumer Protection, and Health
Friday, April 21, 2017 • 10:00 AM • Conference Room 016
GM 703, Consideration and confirmation to the Public Utilities Commission:
THOMAS GORAK, for a term to expire 06-30-2022.

Testimony of Maria Tome, PE, MPA

Aloha Chair Baker, Vice Chair Nishihara, and Members of the Committee. I am testifying in support of nominee Tom Gorak for the position of Commissioner with the Hawaii Public Utilities Commission.

For a democracy to be strong and effective, people who have actual knowledge of a person's character and track record must be willing and able to speak up.

Thank you to those who have allowed this review to take place.

EXECUTIVE SUMMARY

I worked with Mr. Gorak for more than three years. During that time, I personally observed him to be hard-working, caring, intelligent, knowledgeable, and experienced. I believe he has personal and professional integrity. I encourage you to confirm him as a Commissioner.

DETAILS

I have seen Mr. Gorak consistently demonstrate an excellent work ethic and diligence. He reads quickly, carefully, and thoughtfully; his extensive background in regulatory law and utilities provide quick understanding and insight, so he is able to keep up with the heavy workload. He was also reliable; for example, if something needed to be done by Monday morning, he got it done by Monday morning.

Mr. Gorak has shown a strong public service motivation. He's not at the PUC for the "fun" of it (obviously), and he could earn a lot more in private practice. I have concluded that he joined the PUC to make a positive difference, and because he was asked to serve. I have never observed anything other than a public service motivation in anything that he does.

Mr. Gorak knows more about regulatory law, utilities, and the public interest than most of us could hope to learn in a lifetime. He has seen things from the consumer advocate point of view, utility point of view, company point of view, chief counsel point of view, and now Commissioner point of view. A natural teacher, he is patient and organized. I have observed that with his extensive experience, he considers all sides, then confidently reaches (and writes) decisions that are well-founded on facts and regulatory precedent.

CONCLUSION

I encourage you to consider the value that Mr. Gorak brings to the position. This level of diligence, commitment, and knowledge are valuable assets, essential as Hawaii faces the transformation and modernization of its utilities and utility services. Even more importantly, I personally trust his judgement, expertise, and character.

Thank you for the opportunity to share my support for Mr. Tom Gorak as a Hawaii Public Utilities Commissioner. I encourage you to vote for him.

Sincerely,
Maria Tome

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

Measure: Governor's Message No. 703

Nomination of Tom Gorak to the Public Utilities Commission

Chair Baker and Members of the Committee:

Testimony of Delmond Won

I am submitting this testimony in support of the nomination of Tom Gorak to the Public Utilities Commission.

For the past two years, I have been employed by the Public Utilities Commission as its Executive Officer and have worked with Mr. Gorak first while he served as the Commission's Chief Counsel and more recently as an interim Commissioner.

I have worked in the regulatory arena for approximately 30 years, both at the State level as well as at the national level, having served as a member of the Federal Maritime Commission during the Clinton administration.

I fully understand how difficult it can be as a regulator and have learned that it is particularly so given the complexities of the issues we face in Hawaii as we wean the State from fossil fuel and move toward more renewable energy sources.

Having worked with Mr. Gorak, I have been impressed with his knowledge, open mindedness, experience and balanced approach on the substantive issues currently before the Commission.

Having served with more than a few regulators here and in Washington DC, I can confidently say that Mr. Gorak is extremely well qualified for this position on the Public Utilities Commission and will prove to be a valuable asset.

Senator Rosalyn Baker, Chair
Senator Clarence Nishihara, Vice Chair
Senate Committee on Commerce, Consumer Protection and Health

Friday, April 21, 2017
Conference Room 016; 10:00 AM

RE: GM 703 – Testimony in support of the nomination of Thomas Gorak for Commissioner to the Public Utilities Commission

Aloha Chair Baker, Vice Chair Nishihara and Members of the Committee:

My name is Jeff Ono. I am submitting this testimony in support of Tom Gorak's nomination as commissioner to the Hawaii Public Utilities Commission. From January 2011 to August 2016, I was the Consumer Advocate. It was in my capacity as the Consumer Advocate that I became acquainted with Tom Gorak.

I first met Mr. Gorak when he was hired as chief counsel of the PUC by former Chair Mina Morita. As the Consumer Advocate, I appeared in every docket that came before the PUC. This gave me the opportunity to review all of the decisions and orders drafted by Mr. Gorak. His legal writing skills are of the highest caliber. Moreover, Mr. Gorak has extensive legal background in utility regulation.

I also had the opportunity to observe Mr. Gorak conduct himself in various investigative and contested case hearings, including the often contentious NextEra/HECO merger proceeding. When called upon to be an examiner, Mr. Gorak provided insightful and probing questions. At all times during these hearings, I observed that Mr. Gorak conducted himself professionally and courteously.

Mr. Gorak also served as a hearings officer in certain dockets. It was in these proceedings that I observed that Mr. Gorak has the temperament and judicial demeanor that would make him an excellent decision-maker and commissioner.

At various National Association of State Utility Consumer Advocates (NASUCA) and National Association of Regulated Utility Commissions (NARUC) meetings and conferences, I learned that Mr. Gorak is held in the highest regard by mainland consumer advocates and commissioners.

Mr. Gorak understands the importance of protecting consumers' interests while at the same time making sure that regulated utilities in this state are stable and financially viable. He is calm, decisive, fair and reasonable.

It is without hesitation that I recommend that Mr. Gorak be confirmed as a commissioner to the Public Utilities Commission.

The following is my contact information:

Phone number: (808) 554-9903

E-mail address: jeffreyono@gmail.com

April 19, 2017

The Honorable Rosalyn H. Baker, Chair
The Honorable Clarence K. Nishihara, Vice Chair, and
Members of the Senate Committee on Commerce, Consumer Protection, and Health
State Capitol, Room 230
Honolulu, Hawaii 96813


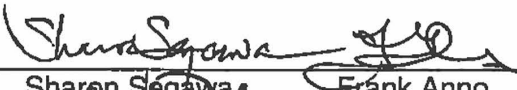


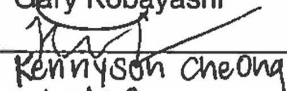
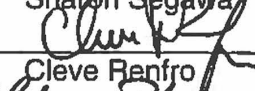
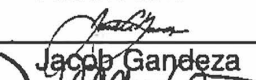
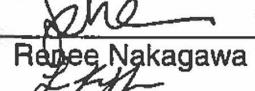
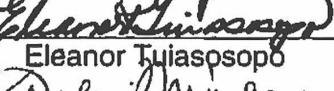



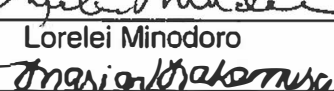

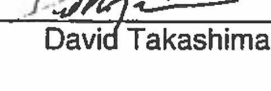


Dear Chair Baker, Vice Chair Nishihara and Members of the Committee:

Re: Testimony in Support GM703: Confirmation of Gubernatorial Nominee,
Thomas Gorak, as Commissioner of the Public Utilities Commission

We, the undersigned members of the Consumer Affairs and Compliance Section, Personnel Section and the Administrative Support Services Section of the Public Utilities Commission (PUC) **support** the nomination of Thomas Gorak as Commissioner of the PUC without reservation.

Mr. Gorak has nearly four decades of public utility regulation experience, as an attorney, educator and consultant and has been recognized nationally and internationally for his expertise in utility regulation.

In September 2013, Mr. Gorak became Chief Counsel of the PUC, and was appointed as an Interim Commissioner in June 2016. Our sections have benefitted greatly from his service. He has always supported our sections with encouraging words and has always been gracious with his time and patience. He is a role model of integrity. Working with him at the PUC is both a privilege and a pleasure, and it is an honor to submit this testimony in full support of Mr. Gorak's nomination.

 Gary Kobayashi	 Sharon Segawa	 Frank Anno	 Drake Akiyoshi
 Kenneth Cheong	 Cleve Benfro	 Jacob Gandeza	
 Renee Nakagawa	 Eleanor Tuiasosopo	 Lorelei Aguido	 Christian Mangasim
 Lisa Kotcher	 Lorelei Minodoro	 Rolita Sele	 David Takashima
 Elsie Lee	 Marian Nakamura		

**Responses of Thomas Gorak
to Questions Posed in Writing
by Senator Rosalyn H. Baker on April 20, 2017**

Page 1 of 5

- (1) Why do you want to be a member of the Board?

Response: The challenges facing the State with respect to achievement of the 100% renewable energy goal are substantial. Having been through several energy industry restructurings as both a consumer advocate and private practitioner, the public interest sometimes seems to be lost or relegated to a somewhat minor position. It is important for the commission to ensure that the state's goals are met, but that in doing so, the commission does not simply load extra costs on the backs of consumers whose electricity rates are already the highest in the nation. As a member of the commission, I want to ensure that while the State's goals are achieved, they are not achieved at the expense of the consumer or the public interest

Given my background and experience, I believe I am highly qualified to assess these issues, and to come up with creative solutions that, first and foremost, serve the public interest. Moreover, while I have focused here on the great challenges facing the investor owned electric utility industry in Hawaii, I do not mean to suggest that the commission's other duties with respect gas, water, wastewater, motor carriers, interstate water carriers, and telecom are any less important. Those utilities also require detailed and timely responses to rate cases and other filings.

I have been very fortunate to have been successful in both my public and private practice. Given that good fortune, I believe it is again appropriate for me use my experience and knowledge to serve the public interest.

- (2) What do you perceive are the roles and responsibilities of a member of the Board?

Response: I will answer this question both generally and specifically.

In general, the primary role of a public utilities commissioner is to protect the public interest. The generally-accepted statement of this role is to ensure that public utilities under the jurisdiction of the commission provide safe, reliable, and adequate electric service to the public at reasonable rates and without discrimination, in return for which the utilities are provided the opportunity to earn a fair rate of return.

More specifically, the roles and responsibilities of a commissioner are many and varied. In the formal sense, a commissioner is required to act independently with respect to all applications filed by utilities under their jurisdiction. This can take the form of participating in a contested case hearing, ruling on the basis of filings

**Responses of Thomas Gorak
to Questions Posed in Writing
by Senator Rosalyn H. Baker on April 20, 2017**

Page 2 of 5

made in a docket where the parties do not request such a hearing, or ruling on filings that are uncontested.

Moreover, through its investigatory powers, the commission can act on issues that are germane to the achievement of legislative and State priorities and goals. Examples of such issues include the Power Supply Improvement Plans, the Distributed Energy Resources docket, the Demand Response docket, the Community Based Renewable Energy docket, and others.

With respect to the above, it is incumbent on the commissioner to fully familiarize herself or himself with the issues and filings in the particular docket. The commissioner should fully review any and all staff memos on those issues, as well as any draft order concerning the same. The commissioner should not be afraid to provide thoughtful, well constructed suggestions and alternatives to staff proposals where appropriate.

A commissioner should strive to ensure that commission orders are clear and understandable by both the parties and the general public,

Commissioners also have a duty to keep up with what is happening in other states with respect to similar issues, such as the integration of renewables. In addition, commissioners should keep up with relevant literature and studies, such as those produced by the National Renewable Energy Labs, the Regulatory Assistance Project, and the National Association of Regulatory Utility Commissioners (NARUC), among others.

Commissioners have a duty, as required by statute, to attend public hearings, and to be polite and respectful to the public during those hearings.

In my view, and in my tenure as interim commissioner, I believe that commissioners have a duty to be accessible to other commissioners and staff members, and to be willing to discuss their views with them, whether in writing or by meeting in person. With respect to the latter, I believe such meetings are more productive when commissioners reduce their views to writing prior to any discussion.

Commissioners should also be willing to share their knowledge with others. Both as chief counsel and as interim commissioner, I have been willing to provide initial training to new commission staff members (and any other staff member who wishes to attend) on basic regulatory concepts. I have also been willing to provide speeches to outside organizations concerning commission procedures and orders; these include the U.S. Energy Information Administration, NARUC, the Hawaii State Bar Association, and others.

**Responses of Thomas Gorak
to Questions Posed in Writing
by Senator Rosalyn H. Baker on April 20, 2017**

Page 3 of 5

Commissioners should treat all staff fairly. As both Chief Counsel and interim commissioner, I have tried to promote a pleasant and open work environment for all commission staff, regardless of their positions.

- (3) In what ways do you feel that you can help protect the consumer?

Response: As noted above, I believe that my background, which includes my undergraduate degree with a finance and general business major, as well as my law degree, provides me with the tools to understand the many issues facing the commission. As mentioned above, I believe the commission's primary duty is to protect the public interest. I hope to use my knowledge and skills to provide creative solutions to the dual issues of achieving the state's goals with respect to renewable energy and keeping the consumer's rates reasonable. As also noted above, the same duty applies to addressing the issues raised by other regulated utilities, such as gas, water, wastewater, motor carriers, intrastate water carriers, and telecom.

This duty requires a thorough knowledge of regulatory and financial principles, which I possess.

- (4) Given your understanding of the roles and responsibilities of a Board member, why do you believe that you are qualified for the position? Please include a brief statement of your skills, expertise and knowledge that would aid you as a member of the Board.

Response: I have previously distributed to all Senators a copy of my resume as well as a list of my publications and appearances which outline my skills, expertise, and knowledge. My 37 years of regulatory experience, along with my many speaking engagements and writings, speak for themselves.

- (5) What do you hope to accomplish during your term of service?

Response: With respect to the electric industry and the achievement of the state's renewable energy goals, I hope to achieve the goals noted above – that is, to ensure a path to a 100% renewable energy future that does not result in burdening ratepayers who are already paying the highest electric rates in the United States. To the extent possible, I hope to encourage consensus among the parties where possible, and timely decisions by the commission on those issues on which consensus is not achieved. I further hope to formulate – in conjunction with other commissioners and staff – creative solutions to these issues.

**Responses of Thomas Gorak
to Questions Posed in Writing
by Senator Rosalyn H. Baker on April 20, 2017**

Page 4 of 5

With respect to other regulated utilities, I hope to encourage the commission and staff to achieve timely resolution of the issues presented by these utilities. In addition, to the extent that these utilities can be encouraged to modify their operations so as to assist in the achievement of the renewable energy goals, the commission should encourage them to do so.

- (6) Name three qualities that best describe you and how these qualities will benefit the Board.

Response: I am intelligent, very hardworking, and easy to work with. I believe that these qualities have already benefitted the commission during my tenure as Chief Counsel and as interim commissioner. Stated succinctly, these qualities have helped to facilitate a better decision making process that fully includes staff, as well as better written and supported decisions. In addition, I believe that my “open door” policy, as well as my daily interactions with all members of the commission staff, have helped to make the workplace more pleasant.

- (7) Name a previous experience you've had that will be beneficial as a Board member.

Response: Obviously, having served as both Chief Counsel and an interim commissioner, those experiences have been and are beneficial to the commission. In addition, I have been a Consumer Advocate, and represented a variety of other clients during my 37 years of regulatory practice, which gives me insight into the concerns of the various parties that may appear before the commission.

I have also directly participated in several major waves of utility industry restructurings, which provides me with a unique background to address the challenges in meeting the State’s 100% renewable energy goal. As an Assistant People’s Counsel, I was part of the team that appealed two major decisions of the Federal Energy Regulatory Commission to the United States Court of Appeals for the District of Columbia Circuit. The central issue was whether residential consumers – through their local distribution companies – should be permitted access to the same competitively-priced gas supplies as commercial and industrial customers. The successful challenge to FERC’s orders prohibiting such access to residential consumers led directly to the restructuring of the interstate natural gas industry at the federal level through such orders as FERC Order 436, 636, and others. I participated in all of those proceedings either on behalf of residential consumers as an Assistant People’s Counsel, or on behalf of small, local distribution companies serving residential consumers.

I also represented a large number of commercial clients in the restructuring of the retail electric industry in Maryland. As a result of those proceedings, each

**Responses of Thomas Gorak
to Questions Posed in Writing
by Senator Rosalyn H. Baker on April 20, 2017**

Page 5 of 5

customer class was provided the opportunity to purchase its electric requirements from a variety of generators, to be transported and distributed by the electric utility industry.

These experiences, along with the many rate cases, and service and tariff issues for all types of regulated utilities – gas, electricity, water, wastewater, nuclear, steam, etc. – have assisted and would continue to assist me in my duties as a commissioner.

- (8) Can you foresee any possible conflicts of interest that could arise during your service on the Board? How would you overcome conflicts of interest?

Response: I do not foresee any conflicts of interest. Upon accepting the commission's request to serve as Chief Counsel, I gave up the clients that I was representing before the Hawaii Public Utilities Commission and did not participate in any of the dockets in which I had represented those clients. Those dockets have all been closed.

However, should the need arise, I would certainly recuse myself should any future conflicts arise.

Respectfully submitted,



Thomas Gorak

April 20, 2017