

TO: Senator Jarrett Keohokalole,  
Chair of the Senate Committee on Commerce and Consumer Protection

FROM: Anonymous

RE: Complaint About the Public Utilities Commission

Dear Senator Keohokalole,

As you are aware, the Public Utilities Commission plays a critical role in safeguarding the reliability and safety of Hawaii's electric, gas, water, and sewer utilities, as well as Young Brothers; ensuring the affordability and fairness of utility rates; overseeing HECO's securitization and liability cap; and advancing Hawaii's renewable energy goals.

However, the Commission's ability to carry out this mission is currently being undermined by a toxic and ineffective work environment caused by the new Chief of Policy and Research, Randy Baldemor. We ask that the internal operations of the PUC be promptly and thoroughly investigated, and corrective action taken to address serious ethical and human resources concerns.

If no action is taken, the Commission risks a mass departure of critical staff enduring continuous verbal and emotional abuse by Randy Baldemor. Randy now oversees the Policy Branch, a team of experienced economists and analysts responsible for key regulatory functions, including but not limited to the design and implementation of Performance Based Regulation (PBR), development of distributed energy resource (DER) programs like rooftop solar, analysis of rate cases, oversight of HECO financial transactions, and execution of Integrated Grid Planning. The Policy Branch is often referred to as the heart and soul of the Commission.

The PUC Chair, Leo Asuncion, has created an environment where staff feel unable to share feedback, as he has been unreceptive to previous concerns and remains closed off to input. This has led to a tense atmosphere, where employees have no safe internal channels for raising concerns without retaliation.

***"He barbeques with me and HECO Execs"***

At the PUC's annual holiday party in December 2024, Chair Leo Asuncion announced that his friend, Randy Baldemor, would be the new Chief of Policy and Research—the top technical and policy advisor for the three Commissioners. Leo told everyone that Randy also lives in Hawaii Kai and they barbeque together with HECO executives. Now, with Randy on board, the Commission is more likely to rubber-stamp HECO applications without sufficient review.

### ***Randy Baldemor is not qualified***

Here is a link to the job post that Randy applied for:

<https://www.governmentjobs.com/careers/hawaii/jobs/newprint/4537453>.

*"Duties Summary: The Chief of Policy and Research ("Chief") has the primary responsibilities of advising the Commission on all regulated industry policy matters."*

The minimum qualification requirements include:

*"Specialized Experience: Five (5) years progressively responsible experience involving the development, implementation, and administration of program policies, electricity, telecommunications, gas, private water and wastewater, motor and water carrier transportation regulation, research, analysis, and investigation activities, and program administration."*

Randy had zero experience in public utility regulation.<sup>1</sup> He has zero experience working in electric, gas, water, wastewater, and/or telecommunications industries. He has zero experience with Young Brothers. He has also clearly demonstrated he has zero knowledge of utility regulation and no understanding of utility systems and technologies. Accordingly, he is incapable of leading his team and appropriately advising the Commission on all regulated industry policy matters.

He does have a long list of executive experience, hopping from job to job. It is already publicly known why his tenure in some of these positions was short due to things like State Ethics violations (see:

<https://files.hawaii.gov/ethics/advice/ROC2017-4.pdf>)

At least four candidates working for the PUC and/or DCCA who were qualified applied for this job. Additional external candidates were highly qualified. They were all passed up. Some qualified applicants may have even been completely ignored or 'ghosted' by the PUC. The Chief position was vacant for more than 6 months, despite many highly qualified people applying. It was a running joke at the PUC – new minimum qualification requirements for Chief – “likes to barbecue with Leo and HECO execs” and “lives by Chair Asuncion in Hawaii Kai”.

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<sup>1</sup> While Randy worked at Roberts Hawaii, a PUC-regulated motor carrier, the Policy Branch does not oversee any motor carrier regulation. This is handled by a different branch at the PUC. Randy has been observed trying to use his new role to push for the development of programs that would benefit Roberts Hawaii.



### ***PUC Violates New Pay Transparency Act***

The PUC's job posting(s) violates the new Hawaii Pay Transparency Act as it does not provide a salary range. <https://labor.hawaii.gov/hcrc/files/2023/11/Act-203-Pay-Transparency-FAQs.pdf>

### ***Past Abuse, High Staff Turnover, Possible Gender Discrimination***

It is widely known that the former Chief and several members of her staff were driven out of the PUC in early 2024 due to Chair Asuncion's offensive conduct and violations of HR policies.

The Legislature should examine whether there are disparities in compensation at the PUC that may reflect sex-based discrimination, particularly in light of concerns that Randy Baldemor may be receiving higher pay than the former female Chief, who was highly qualified, while he is completely unqualified for the position.

### ***Wasting Public Resources, Staff Time, and Ratepayer Money***

To many PUC staff, it is not clear what Randy's role is or what he does on a day-to-day basis. He is not capable of performing the duties of the Chief of Policy and Research due to his complete lack of regulatory and industry experience and apparent disinterest in learning about utilities.

He wastes a lot of his staff's time by scheduling meetings with no objectives or agendas. Staff complain that team meetings he convenes end up having nothing to do with the PUC's work, nothing to do with professional development, and often go hours over the scheduled time. He degrades and bullies his staff during meetings. These meetings are a waste of state resources and ratepayer money. He is also a distraction in larger teams and public meetings. He is obsessed with micromanaging minutia, yet unable to provide effective leadership when it comes to substantive technical and policy matters.

Randy is tearing apart existing morale by creating a toxic work environment. He tries to make up for his inabilities and hide his insecurities by projecting his problems onto staff. He wants it to look like he is not the problem... but rather, it is his staff and the legal branch that are the problem. Staff openly talk about how he has weaponized the State's Law of Aloha Spirit, by telling his entire team of selfless and highly devoted staff that they "only care about themselves" and need to start practicing ha'aha'a, or humility, which he could not spell or pronounce. This is maddening to staff not only because it is cultural misappropriation, but also because he does not walk his talk when it comes to practicing aloha, kindness and humility.

Staff complain about how he constantly gives vague feedback on how they need to improve without explicit examples for improvement, and his feedback is in the form of put-downs and endless amounts of time boasting about himself. The combination of Randy's inexperience and insulting behavior is overwhelming his team.

To verify the concerns raised in this letter, the legislature could conduct anonymous interviews with those who work most closely with Randy. This includes his 10 staff in the Policy Branch and many of the 10 staff attorneys, who can all confirm his unprofessional conduct and lack of qualifications. People in certain leadership roles, such as the Commissioners, may be unaware of his mistreatment of his staff as Randy tends to manage impressions selectively – showing deference to those he considers important, while demeaning people he finds inferior behind closed doors. Nonetheless, certain leaders at the Commission have indicated they heard him shouting at staff through office walls and closed doors.

### *Not Much Has Changed*

The 2018 audit of Hawaii Tourism Authority (HTA) demonstrated Randy's failures as a leader and failure to manage state contracts.

Randy served as HTA's Chief Operating Officer (COO), a position reportedly created specifically for him by his friend, George Szigeti. The audit highlighted significant shortcomings in Randy's performance, particularly in procurement, contract management, and oversight of state funds. Rather than fulfilling his responsibilities, Randy frequently deferred them to his staff. (See at <https://files.hawaii.gov/auditor/Reports/2018/18-04.pdf>)

Despite these findings, Randy now oversees numerous PUC contracts and procurement efforts in his role as Chief of the Policy Branch. Concerns remain regarding his competence in these areas, especially because he has no expertise in highly technical topics related to the utility industry covered by PUC contracts. In addition to witnessing his lack of qualifications and inappropriate behavior, PUC staff are aware of his documented shortcomings at HTA and therefore lack confidence in his leadership.

This article has additional context: <https://www.staradvertiser.com/2018/02/22/business/business-breaking/state-auditor-blasts-hta-for-lax-oversight-and-accountability/>

The following comments in a related Facebook post from someone who may know him, describes how he fails everywhere he goes in government:

*"This guy is not from Hawaii and doesn't know anything about our culture. He get one track record of setting fires in government and running away. Try*



*look at the failed tax modernization plan he left in ruins after being deputy director at Tax. There was the thousand page technology master plan he created as deputy director at the tech department which resulted in nothing. This guy probably running away from another problem he created a HTA.” (See <https://www.facebook.com/staradvertiser/posts/andy-baldemor-chief-operating-officer-of-the-hawaii-tourism-authority-has-notif/1785384031472809/>)*

### ***Randy's Ethics Investigation***

As COO of HTA, Randy was investigated by the Hawaii State Ethics Commission for accepting multiple courtesy upgrades to business class flights and hotel accommodations while traveling on official state business. **He directed staff to solicit these upgrades.** (See: Resolution of Charge 2017-4 at <https://files.hawaii.gov/ethics/advice/ROC2017-4.pdf> )

The Star Advertiser provides additional context about the Ethics investigation: <https://www.staradvertiser.com/2018/03/04/business/4-hta-executives-fined-for-upgrades/>

Of the four people fined, Randy received the biggest fine, because he directed staff to seek upgrades for him. The Ethics Commission apparently specifically chose not to fine HTA staff directed by Randy to seek upgrades. An HTA staff person stated:

***“Anyone who questioned Randy or George got fired or was asked to resign.***

*[HTA Staff were] told to seek upgrades for Szigeti and Baldemor when they decided to make a stop in Japan during a trip to China in October 2015.*

*HTA asked [this HTA staff person] to resign in July 2016... At that time, HTA offered her an \$85,000 contracting job but she turned it down because it required her to sign a **nondisclosure agreement** prohibiting her from sharing what she saw and heard during her employment there.”*

Randy was warm and approachable in his first weeks at the PUC, but it was not long before he showed similar intimidating behavior with staff. No one wants to question Randy because of his temper.

There could be perceived ethical issues with Randy’s conduct in his new role. As Chief, Randy has been pushing the development of new programs that could benefit

Roberts Hawaii, the company he formerly led. It is unclear what Randy's current involvement is in Roberts Hawaii Foundation. Such behavior raises concerns about ethical propriety. PUC staff are aware of his documented ethical shortcomings and are suspicious of this. Randy's powerful role does not require him to file a financial disclosure.

*The stakes are too high to tolerate this*

Now more than ever, the PUC needs commissioners, managers, and staff who are qualified, competent, and conduct themselves with integrity and aloha. Too much is at stake – utility safety, people's lives and livelihoods, especially when it comes to wildfire prevention, and our climate.

Chair Leo Asuncion practiced poor judgment and violated certain HR policies when hiring an unqualified candidate to lead the Policy Branch and be his top policy advisor. Chair Asuncion fails to supervise, properly train Randy, and turns a blind eye to the disfunction and toxic work environment that Randy has created.

The legislature should critically consider whether Chair Asuncion is capable of effectively leading this important regulatory body. Staff and community members question whether Leo is running for another term in 2026 primarily to meet the minimum years required for retirement, rather than out of genuine commitment to serving the public interest.

Replacing Randy Baldemor with a new qualified and compassionate Chief of Policy and Research will allow the Policy Branch to thrive again so that the Public Utilities Commission can effectively carry out its critical mission to serve and protect the public interest.

Thank you for your time and help with this important matter and always serving our state as our Senator.