

ACT 133

H.B. NO. 3585

A Bill for an Act Relating to the Public Utilities Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to balance the exceptionally high cost of constructing electric utility lines underground with other relevant factors when the public utilities commission exercises its exclusive authority in determining whether it is preferable to construct the electric utility lines overhead or underground. While there are benefits to constructing electric utility lines underground, those benefits extend not only to the utilities' ratepayers, whose rates should reflect the utilities' cost of providing reasonably reliable electric service, but extend to the public at large. Ratepayers should not be forced to pay, through their rates, for these additional costs. Accordingly, in the interest of fairness and equity to all ratepayers served by public utilities within the State, those policy making or implementing bodies that require that electric utility lines be placed underground should provide the funds in excess of those required for overhead construction. Notwithstanding the absence of funds from those requiring entities necessary for the additional costs of underground construction, the public utilities commission may approve underground construction upon consideration of the additional cost of underground construction and other relevant factors.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§269- Construction of high-voltage electric transmission lines; overhead or underground construction. Notwithstanding any law to the contrary, whenever a public utility applies to the public utilities commission for approval to place, construct, erect, or otherwise build a new forty-six kilovolt or greater high-voltage electric transmission system, either above or below the surface of the ground, the public utilities commission shall determine whether the electric transmission system shall be placed, constructed, erected, or built above or below the surface of the ground; provided that the public utilities commission may in its determination consider the following factors:

- (1) Whether there is a benefit that outweighs the costs to place the electric transmission system underground;
- (2) Whether there is a governmental public policy requiring the electric transmission system to be placed, constructed, erected, or built underground and the governmental agency establishing the policy commits funds for the additional costs of undergrounding;
- (3) Whether any governmental agency or other parties are willing to pay for the additional costs of undergrounding; and
- (4) Any other relevant factors.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved June 8, 1994.)

Note

1. Edited pursuant to HRS §23G-16.5.