

A Bill for an Act Relating to Public Utilities.

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

SECTION 1. Section 269-7.5, Hawaii Revised Statutes, is amended to read as follows:

“§269-7.5 Certificates of public convenience and necessity. (a) No public utility, as defined in section 269-1, shall commence its business without first having obtained from the commission a certificate of public convenience and necessity. Applications for certificates shall be made in writing to the commission and shall comply with the requirements prescribed in the commission’s rules. The application shall include the type of service to be performed, the geographical scope of the operation, the type of equipment to be employed in the service, the name of competing utilities for the proposed service, a statement of its financial ability to render the proposed service, a current financial statement of the applicant, and the rates or charges proposed to be charged including the rules ~~[and regulations]~~ governing the proposed service.

(b) If the applicant for a certificate of public convenience and necessity has any known consumers or patrons at the time of the filing of the application, the applicant shall notify these consumers or patrons of the rates and charges proposed to be established by the application; provided that:

- (1) The notice shall be mailed to the last known address of the consumer or patron on file with the applicant or the applicant’s affiliates; and
- (2) The manner and the fact of the notification shall be reported to the commission,

within seven days from the filing of the application.

~~[(b)]~~ (c) A certificate shall be issued to any qualified applicant, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the terms, conditions, and rules adopted by the commission, and that the proposed service is, or will be, required by the present or future public convenience and necessity; otherwise the application shall be denied. Any certificate issued shall specify the service to be rendered and there shall be attached to the exercise of the privileges granted by the certificate at the time of issuance and from time to time thereafter, such reasonable conditions and limitations as a public convenience and necessity may require. The reasonableness of the rates, charges, and tariff rules ~~[and regulations]~~ proposed by the applicant shall be determined by the commission during the same proceeding examining the present and future conveniences and needs of the public and qualifications of the applicant, in accordance with the standards set forth in section 269-16.

~~[(e)]~~ (d) No public utility ~~[which]~~ that holds a franchise or charter enacted or granted by the legislative or executive authority of the State or its predecessor governments, or ~~[which]~~ that has a bona fide operation as a public utility heretofore recognized by the commission, shall be required to obtain a certificate of public convenience and necessity under this section.

~~[(d)]~~ (e) Any certificate ~~[may]~~, upon application of the holder and at the discretion of the public utilities commission, may be amended, suspended, or revoked, in whole or in part. The commission after notice and hearing may suspend, amend, or revoke any certificate in part or in whole, if the holder is found to be in wilful violation of any of the provisions of this chapter or with any lawful order or

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rule of the commission adopted thereunder, or with any term, condition, or limitation of the certificate.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2006, and shall apply to applications for certificates of public convenience and necessity filed after June 30, 2006.

(Approved April 19, 2006.)