STAND. COM. REP. NO.

Honolulu, Hawaii FEB 13 , 2025

RE: H.B. No. 978 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 978, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC UTILITIES,"

begs leave to report as follows:

The purpose of this measure is to allow the Public Utilities Commission to appoint a receiver to take temporary action necessary to assure continued service or to bring the service up to appropriate regulatory standards when a regulated investorowned electric utility is failing, or there is an imminent threat of the utility failing.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from the Public Utilities Commission and Hawai'i Gas.

Your Committee finds that electric service is critical for daily life for every person in the State. The permanent loss of electricity, such as in the event of a complete company collapse, could endanger everything from public safety infrastructure to personal health equipment.

Your Committee further finds that utility receivership is a critical tool for protecting utility customers in only the most



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extreme circumstances, such as a complete company collapse. Under a receivership, an appointed person is authorized to take temporary action necessary to assure continued adequate utility services. However, under existing law, the Public Utilities Commission is only authorized to appoint a receiver for a water or sewer utility, not an electric utility. This measure authorizes the Public Utilities Commission to appoint a receiver for electric utilities in the most extreme circumstances.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 978, H.D. 1, and recommends that it be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ÓSHI, Chair

SCOT Z. MATTOSHI, Chair



State of Hawaii House of Representatives The Thirty-third Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 978, HD1		Committee Referral: EEP, CPC, FIN		Date: 2/11/25		
The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
CPC Members		Ayes	Ayes (WR)	Nays	Excused	
1. MATAYOSHI, Scot Z. (C)		\checkmark				
2. CHUN, Cory M. (VC)		V				
		<u>, at pi</u> .				
3. ILAGAN, Greggor	2 2 2		100 NOV 104			
4. ICHIYAMA, Linda						
5. IWAMOTO, Kim Coco		$\overline{\mathbf{v}}$				
	A. IS					
6. KONG, Sam Satoru						
		e the part				
7. LOWEN, Nicole E.						
9 MADTEN Liza	Sector Sector					
8. MARTEN, Lisa						
9. TAM, Adrian K.		V				
	K					
10. PIERICK, Elijah		\checkmark				
TOTAL (10)		10				
The recommendation is: Adopted If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) Chief Clerk's Office Duplicate (Pink) – HMSO						