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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Consumer Protection & Commerce
Wednesday, March 29, 2023
2:10 p.m.
Conference Room 329**

**On the following measure:
H.C.R. 41/ H.R. 45, URGING THE PUBLIC UTILITIES COMMISSION TO
REEVALUATE AND ADOPT ADMINISTRATIVE RULES RELATING TO THE
REMOVAL OF ABANDONED OR DOUBLE UTILITY POLES,
LINES, AND EQUIPMENT**

Chair Nakashima and Members of the Committee:

My name is Dean Nishina, and I am the Acting Executive Director for the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department provides comments on this resolution.

The purpose of this resolution is to urge the Public Utilities Commission (Commission) to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment. The resolution also requests that the Commission adopt updated provisions of the National Electrical Safety Code to streamline the removal of double poles and other unsafe abandoned equipment.

The Department supports the intent of this resolution since, as noted in this resolution, abandoned utility infrastructure (i.e., poles, lines and equipment) can, if left unchecked, become a hazard and impact the safety of the public.

The Department offers that removal of many abandoned poles also known as “double poles” is in progress. The removal of approximately 14,000 double poles throughout much of the islands was a benefit cited by the parties in their application in Docket No. 2018-0075, a Commission proceeding regarding the transfer of Hawaiian Telcom’s utility poles (and/or interests) to the Hawaiian Electric Companies. The Commission approved the transfer of poles on October 16, 2018. Upon recent dialogue with a representative of Hawaiian Electric, we learned that Hawaiian Electric conducted a 2019 audit of its poles, including the poles in question. Through that audit, Hawaiian Electric identified approximately 9,400 double poles that they were responsible to remove as opposed to 14,000, which was provided as an estimate in the 2018 docket. Hawaiian Electric further offered that they have removed 2,547 to date; and have a known “backlog” of 6,853 more to further remove. In their application, consistent with their joint agreement, the parties made the following commitments:

The Hawaiian Electric Companies have committed to performing a minimum of 1,000 standard transfers and double pole removals per year. Hawaiian Telcom has committed to performing a minimum of 50 nonstandard transfers and double pole removals per year. The double pole backlog will be brought to a net zero within ten years.¹

Given the recent communication from Hawaiian Electric, it appears that Hawaiian Electric has not adhered to the anticipated schedule of the removal of existing double poles.

While we agree with the resolution’s sentiments that “removal of unnecessary and unsightly derelict lines and poles will eliminate a potential public hazard, organize communication and utility pole lines, and favorably influence the surrounding community”, we offer that rulemaking is generally a lengthy process. Thus, rather than suggest that the Commission should address this issue through rulemaking, the Department respectfully suggests that the Commission be allowed to address this issue by order. Allowing the Commission to address this by order will enable the Commission to take up

¹ Application of Hawaiian Telcom, Inc., Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., and Maui Electric Company, Limited, filed on April 4, 2018, in Docket No. 2018-0075, at 23.

this issue of unused/abandoned poles in the public rights-of-way in any ongoing and/or future proceeding of the Commission and the Department will ensure that this issue will be monitored and addressed in an applicable proceeding.

Thank you for the opportunity to testify on this resolution.

TESTIMONY OF
LEODOLOFF R. ASUNCION, JR.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE

March 29, 2023
2:10 p.m.

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

MEASURE: H.C.R. No. 41 / H.R. No. 45

TITLE: Urging the Public Utilities Commission to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

POSITION:

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

COMMENTS:

The Commission appreciates the intent of this resolution to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

In April 2018, Hawaiian Telcom, Inc. (“Hawaiian Telcom”) and Hawaiian Electric¹ filed an application requesting Commission approval for the transfer of Hawaiian Telcom’s ownership equity interest in joint poles to Hawaiian Electric². In their application, Hawaiian Electric “committed to performing a minimum of 1,000 standard transfers and double pole removals per year. [In addition,] Hawaiian Telcom has committed to performing a

¹ Hawaiian Electric consists of Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited.

² Filed with the Commission on April 4, 2018 in Docket No. 2018-0075.

minimum of 50 non-standard transfers and double pole removals per year. The double pole backlog will be brought to a net zero within ten years.”

In October 2018, the Commission approved their request in Decision and Order No. 35768³, in which it noted that “the Hawaiian Electric will be conducting a six-month field survey assessment of the approximately 14,000 double poles that exist in the Hawaiian Electric’ service territory, as part of their obligations under the agreements.”⁴ Since that time, Hawaiian Electric have completed their assessment and commenced on removing the double poles.

The Commission is aware that Hawaiian Electric have recently provided updated information to the media on their efforts to remove abandoned or double utility poles. In a March 2023 interview with Hawaii Public Radio, the Hawaiian Electric commented that they are approaching the midpoint of their ten-year plan to remove the double poles. Additionally, they stated that given the past challenges with labor and resources due to the COVID-19 pandemic, they expect to increase their efforts in 2023, which should enable them to achieve their ten-year goal.

The Commission adopted and incorporated by reference the 2002 edition of the National Electrical Safety Code (“NESC”) via Hawaii Administrative Rules (“HAR”) § 6-73-11(b). The NESC has been updated (2023 edition, released in August 2022). Accordingly, the Commission will review the 2023 NESC in preparation of updating HAR Chapter 6-73.

The Commission will continue to monitor and work closely with the Hawaiian Electric and Hawaiian Telcom in their efforts to remove the remaining abandoned or double utility poles within their committed ten-year period.

Thank you for the opportunity to testify on this measure.

³ Docket No. 2018-0075, D&O No. 35768, page 31, filed on October 16, 2018. The Commission approved an agreement that would transfer ownership of approximately 120,000 utility poles from Hawaiian Telcom to Hawaiian Electric.

⁴ “The baseline double pole field survey will provide details on the condition of all poles in question, the exact quantity of poles, the quantity of attachments on the poles, and whether the transfer work is standard and will now be the responsibility of Hawaiian Electric Companies to perform, or non-standard and remain the responsibility of Hawaiian Telcom to perform.” Application in Docket No. 2018-0075, page 23.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE**

HCR 41 / HR 45

**URGING THE PUBLIC UTILITIES COMMISSION TO REEVALUATE AND ADOPT
ADMINISTRATIVE RULES RELATING TO THE REMOVAL OF ABANDONED OR
DOUBLE UTILITY POLES, LINES, AND EQUIPMENT.**

Wednesday, March 29, 2023
2:10 p.m., Agenda Item #7
State Capitol, Conference Room 329

Paul Nakagawa, P.E.
Supervisor, Joint Pole
Hawaiian Electric

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

My name is Paul Nakagawa, and I am testifying on behalf of Hawaiian Electric **supporting the intent** of HCR 41 / HR 45.

Hawaiian Electric continues to work with joint pole owners and attachers to transfer their respective facilities from the older pole to the newer pole, where the two poles standing side-by-side are also known as a double pole. This issue arose over the years largely due to the complexities of multiple utility ownership and attachers for a given pole, who also have the responsibility to safely transfer their own facilities from the older pole to the newer pole, before the older double pole can be removed. Joint pole owners and attachers are informed when a new pole is installed, but Hawaiian Electric has limited control when they respond to transfer their facilities.

In 2018, Hawaiian Electric and Hawaiian Telcom agreed to a plan where Hawaiian Electric would purchase Hawaiian Telcom's ownership share in those poles

that were jointly owned with Hawaiian Telcom and commit to a ten-year removal plan of backlog double poles.

In 2018, we estimated Hawaiian Electric had approximately 16,000 backlog double poles. In 2019, through a field audit, pole record research, and transfer follow-ups with other utilities and attachers, we identified roughly 9,400 existing backlog double poles to be Hawaiian Electric's responsibility to remove. To date, we have removed about 2,500 poles, leaving roughly 6,900 remaining, the majority of them on Oahu. Hawaiian Electric is committed to ensuring public safety and addressing the remaining backlog of double poles.

Since Hawaiian Electric is working with joint pole owners and attachers to complete their transfers so the double poles can be removed, the adoption of administrative rules may be unnecessary. Further, Hawaiian Electric prefers if HCR 41 / HR 45 did not specify the PUC "adopt updated provisions of the National Electrical Safety Code" but leave it to the PUC to evaluate and determine the best way to accomplish this goal. Accordingly, Hawaiian Electric **supports the intent** of HCR 41 / HR 45.

Thank you for this opportunity to testify.

Written Statement of
Jeannine Souki
Senior Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

March 29, 2023 – 2:10 PM
Conference Room 329, Hawai'i State Capitol

COMMENTS FOR:

H.C.R. 41 /H.R. 45– URGING THE PUBLIC UTILITIES COMMISSION TO REEVALUATE AND ADOPT ADMINISTRATIVE RULES RELATING TO THE REMOVAL OF ABANDONED OR DOUBLE UTILITY POLES, LINES, AND EQUIPMENT

To: Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
Members of the Committee on Consumer Protection & Commerce

Re: Testimony providing comments for HCR 41/HR 45

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for this opportunity to offer comments on HCR 41/HR 45, urging the Public Utilities Commission to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

Hawaiian Telcom appreciates the intent of these resolutions; however, we see that the issues covered in HCR 41 and HR 45 are being addressed by the existing formal agreements between Hawaiian Telcom and Hawaiian Electric. These formal agreements, which established standards and procedures for remediating a significant portion of double poles when our company transferred its interests of joint pole ownership of nearly 120,000 poles to Hawaiian Electric in 2018, were reviewed and approved by the Public Utilities Commission and are filed under Docket No. 2018-075¹.

Among the objectives of Hawaiian Telcom's sale of its portion of the jointly owned poles to Hawaiian Electric was to address the double pole issue. Hawaiian Telcom is on track with our efforts to remediate the double poles requiring more complex equipment transfers. For status on

¹ Hawaii PUC [Decision & Order 35768, Docket No. 2018-075](#), last accessed on March 3, 2023.

the progress to address the bulk of double poles removals for Oahu, we defer to Hawaiian Electric.

While we appreciate the intent of these resolutions, we urge the Committee to stand by the existing formal agreements conducted under the purview of the Public Utilities Commission between Hawaiian Electric and lessees, as any further changes may add more complexity lengthening the process for removals and driving up costs to remediate remaining double poles.

Hawaiian Telcom appreciates the opportunity to testify on these measures.

