

JAN 22 2007

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**A BILL FOR AN ACT**

MAKING EMERGENCY APPROPRIATIONS FOR THE DIVISION OF CONSUMER  
ADVOCACY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. This Act is recommended by the governor for  
2 immediate passage in accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii.

4           SECTION 2. The purpose of this Act is to provide emergency  
5 appropriations for the division of consumer advocacy, department  
6 of commerce and consumer affairs, to investigate the power  
7 outages that occurred on October 15, 2006, on the islands of  
8 Oahu, Maui, and Hawaii.

9           The legislature finds and declares that the appropriations  
10 under this Act are in the public interest and are necessary for  
11 the protection of the consumers of electric services in the  
12 State.

13           SECTION 3. There is appropriated out of the public  
14 utilities commission special fund the sum of \$250,000, or so  
15 much thereof as may be necessary for fiscal year 2006-2007, to  
16 be deposited to the compliance resolution fund, to investigate  
17 the power outages that occurred on October 15, 2006 on the

1 islands of Oahu, Maui, and Hawaii.

2 The sum appropriated shall be expended by the public  
3 utilities commission for the purposes of this section.

4 SECTION 4. There is appropriated out of the compliance  
5 resolution fund the sum of \$250,000, or so much thereof as may  
6 be necessary for fiscal year 2006-2007, to investigate the power  
7 outages that occurred on October 15, 2006, on the islands of  
8 Oahu, Maui, and Hawaii.

9 The sum appropriated shall be expended by the department of  
10 commerce and consumer affairs for the purposes of this section.

11 SECTION 5. The division of consumer advocacy shall submit  
12 a report to the legislature no later than twenty days before the  
13 start of the 2008 legislative session providing:

- 14 (1) The date of each expenditure;  
15 (2) Identification of any recipient of payments for each  
16 expenditure; and  
17 (3) The scope of the consultant contract for which each  
18 expenditure was provided.

19 SECTION 6. Any provision of this Act to the contrary  
20 notwithstanding, the appropriations authorized under this Act  
21 shall not lapse at the end of the fiscal year for which the  
22 appropriation was made. All unexpended and unencumbered

S.B. NO. 1424

1 balances of the appropriations made in this Act as of the close  
2 of business on June 30, 2008, shall lapse.

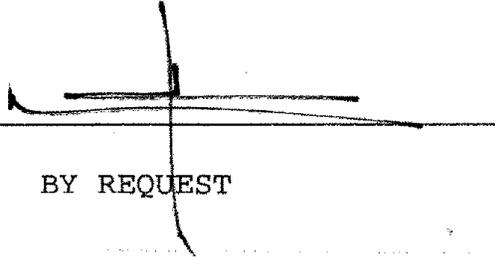
3 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_



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BY REQUEST

S.B. 1424

JUSTIFICATION SHEET

DEPARTMENT: Department of Commerce and Consumer Affairs

TITLE A BILL FOR AN ACT MAKING EMERGENCY  
APPROPRIATIONS FOR THE DIVISION OF CONSUMER  
ADVOCACY.

PURPOSE: To provide emergency appropriations for the  
Division of Consumer Advocacy, Department of  
Commerce and Consumer Affairs, to investigate  
the power outages that occurred on  
October 15, 2006 on the islands of Oahu,  
Maui, and Hawaii.

MEANS: Appropriation out of the Public Utilities  
Commission special fund the sum of \$250,000,  
or so much thereof as may be necessary for  
fiscal year 2006-2007, for deposit into the  
Compliance Resolution Fund.

Appropriation out of the Compliance  
Resolution Fund the sum of \$250,000, or so  
much thereof as may be necessary for the  
fiscal year 2006-2007, for the Division of  
Consumer Advocacy to investigate the power  
outages that occurred on October 15, 2006 on  
the islands of Oahu, Maui, and Hawaii.

JUSTIFICATION: The Division of Consumer Advocacy must  
engage the services of many consultants  
during fiscal year 2006-2007 to achieve its  
mandate of representing, protecting, and  
advancing the interests of consumers of  
public utility services. The Division's  
budget for fiscal year 2006-2007, which is  
based upon historical averages and expected  
workload, is inadequate to meet both the  
workload for the complex utility rate cases  
expected during this fiscal year and the  
unexpected formal investigation deemed  
necessary to review the island-wide power  
outages that occurred on the islands of  
Oahu, Maui, and Hawaii.

Impact on the public: This bill will assist  
the Division in meeting its mandate of

representing consumers' interests to ensure that the electric utilities that experienced island-wide power outages acted in a reasonable manner prior to and after the outages.

Impact on the department and other agencies:  
If provided additional funds, the Division will be able to adequately complete all of the expected and unexpected docket reviews.

GENERAL FUND:

None.

OTHER FUNDS:

\$250,000 from the Public Utilities Commission Special Fund to the Department of Commerce and Consumer Affairs' Compliance Resolution Fund for fiscal year 2006-2007.

\$250,000 from the Compliance Resolution Fund for fiscal year 2006-2007.

PPBS PROGRAM  
DESIGNATION:

CCA-103

OTHER AFFECTED  
AGENCIES:

Public Utilities Commission.

EFFECTIVE DATE:

Upon approval.