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TO THE SENATE COMMITTEES ON ENERGY AND ENVIRONMENT AND COMMERCE AND CONSUMER PROTECTION

THE TWENTY-FIFTH LEGISLATURE REGULAR SESSION OF 2009

Wednesday, January 14, 2009 2:00 p.m.

TESTIMONY OF CATHERINE P. AWAKUNI, EXECUTIVE DIRECTOR, DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO THE HONORABLE SENATOR GABBARD, CHAIR, AND SENATOR BAKER, CHAIR, AND MEMBERS OF THE COMMITTEES

INFORMATIONAL BRIEFING TO INVESTIGATE THE ISLAND-WIDE POWER OUTAGE ON O'AHU ON DECEMBER 26, 2008.

Good afternoon, Chair Gabbard, Chair Baker, members of the Committees, and ladies and gentlemen. I am Catherine Awakuni, Executive Director of the Division of Consumer Advocacy ("Consumer Advocate"). The Consumer Advocate is charged with the duty to protect, advance, and represent the interests of the consumers in public utility matters.

On Monday, January 12, 2009, the Hawaii Public Utilities Commission ("Commission") opened a formal proceeding to examine the island-wide power outage experienced by Hawaiian Electric Company, Inc.'s ("HECO") customers

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on O'ahu beginning on December 26, 2008. Since the Consumer Advocate has been named as a party to this docket, our office will be taking an independent look at the outage experienced on O'ahu, and will examine, among other things, the causes for the outage, whether the outage could have been reasonably prevented, the process for restoration of power, and whether there are steps that can be implemented to prevent similar power outages in the future, or to minimize the scope or duration of similar power outages.

While the Consumer Advocate appreciates the efforts by HECO to provide our office and the Commission with information about the outage, our office still has many detailed questions to ask and more investigative work to conduct to determine whether HECO acted reasonably and in the public interest prior to and during the outage. The Consumer Advocate agrees with the Commission that such investigative work can effectively be done in a formalized process, since a regulatory schedule can be established, discovery can be conducted, and witness testimonies can be taken under oath. The Consumer Advocate supports the Commission's initiation of the outage proceeding.

The Consumer Advocate will retain its own expert to review the company's performance, to help ensure that there will be a complete and independent review of these events.

Hearing from the community today will assist the Consumer Advocate with its work. Members of the public should feel free to contact the Consumer

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Advocate to share their thoughts, concerns, and questions regarding this or any other utility issue.

Thank you for allowing me this opportunity to testify.

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