#### A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

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

- 1 SECTION 1. The legislature finds that the public utilities 2 commission's primary purpose is to ensure that regulated 3 companies efficiently and safely provide their customers with 4 adequate and reliable services at just and reasonable rates, 5 while providing regulated companies with a fair opportunity to 6 earn a reasonable rate of return. However, the public utilities 7 commission has several long and short term goals that reflect 8 the commission's increased work complexity and program 9 responsibilities, which go beyond the commission's traditional 10 regulatory role, including in the area of energy regulation. 11 The legislature further finds that due to these increasing 12 responsibilities, it is essential that all areas of the State 13 are adequately represented in the commission. Requiring one of 14 the three commissioners to be from a county other than the city
- The legislature further finds that advancements in technology have enabled people to participate and work remotely,

and county of Honolulu will meet this need.

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## H.B. NO. 1851

2	their colleagues. Permitting the use of teleconference or
3	videoconference technology for public hearings before the
4	commission will enable commissioners to participate in public
5	hearings in a convenient manner and be fully engaged.
6	The purpose of this Act is to:
7	(1) Require at least one of the three members of the
8	public utilities commission to be a resident of a
9	county other than the city and county of Honolulu and
10	receive per diem compensation;
11	(2) Allow a commissioner to attend by teleconference or
12	videoconference a public hearing of the commission if

without having to be physically present in the same location as

15 (3) Allow a commissioner residing on the island of Oahu to
16 attend a public hearing of the commission held on an
17 island other than Oahu by teleconference or
18 videoconference.

the commissioner resides on an island other than Oahu;

19 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
20 amended by adding a new section to be appropriately designated
21 and to read as follows:

and

1	"§269- Hearing attendance by teleconference or video
2	conference. (a) A commissioner may attend a public hearing of
3	the public utilities commission by teleconference or
4	videoconference to allow a commissioner residing on an island
5	other than Oahu to attend a public hearing of the commission
6	held on Oahu and a commissioner residing on the island of Oahu
7	to attend a public hearing of the commission held on an island
8	other than Oahu, by teleconference or videoconference.
9	(b) Each commissioner participating in a public hearing by
10	teleconference or videoconference shall be considered present at
11	the meeting for purposes of determining quorum and participating
12	in all proceedings.
13	(c) A public hearing held by teleconference or
14	videoconference:
15	(1) Need not have a quorum present at any one location;
16	and
17	(2) Is subject to the notice requirements under section
18	269-12.
19	(d) The notice of each teleconference or videoconference
20	public hearing shall specify all physical locations from which
21	the commissioners will participate."

1 SECTION 3. Section 269-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows: 2 There shall be a public utilities commission of three 3 members, to be called commissioners, and who shall be appointed 4 5 . in the manner prescribed in section 26-34, except as otherwise provided in this section. All members shall be appointed for 6 terms of six years each, except that the terms of the members 7 first appointed shall be for two, four, and six years, 8 respectively, as designated by the governor at the time of 9 appointment. At least one member shall be a resident of a 10 county other than the city and county of Honolulu and shall 11 receive per diem compensation for the days on which actual 12 service is rendered at a rate of per day. The governor 13 shall designate a member to be chairperson of the commission. 14 Each member shall hold office until the member's successor is 15 appointed and qualified. Section 26-34 shall not apply insofar 16 as it relates to the number of terms and consecutive number of 17 years a member can serve on the commission; provided that no 18 member shall serve more than twelve consecutive years. 19 In appointing commissioners, the governor shall select 20 persons who have had experience in accounting, business, 21

- 1 engineering, government, finance, law, or other similar fields.
- 2 The commissioners shall devote full time to their duties as
- 3 members of the commission and no commissioner shall hold any
- 4 other public office or other employment during the
- 5 commissioner's term of office. No person owning any stock or
- 6 bonds of any public utility corporation, or having any interest
- 7 in, or deriving any remuneration from, any public utility shall
- 8 be appointed a commissioner."
- 9 SECTION 4. The requirement that at least one of the public
- 10 utilities commission members be a resident of a county other
- 11 than the city and county of Honolulu pursuant to section 3 of
- 12 this Act, shall apply to the next appointment to the commission
- 13 following the effective date of this Act and thereafter.
- 14 SECTION 5. New statutory material is underscored.
- 15 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

JAN 2 2 2016

#### Report Title:

Public Utilities Commission; Commissioners; Neighbor Island Resident; Per Diem; Teleconference; Videoconference

#### Description:

Requires at least one of the three members of the public utilities commission to be a resident of a county other than the city and county of Honolulu and receive per diem compensation. Allows a commissioner to attend by teleconference or videoconference a public hearing of the commission, including allowing a commissioner who resides on an island other than Oahu to attend a public hearing of the commission held on Oahu and a commissioner residing on the island of Oahu to attend a public hearing of the commission held on an island other than Oahu, by teleconference or videoconference.

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