

JAN 27 2016

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# 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  
15 and county of Honolulu will meet this need.

16           The legislature further finds that advancements in  
17 technology have enabled people to participate and work remotely,



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1 without having to be physically present in the same location as  
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  
13 the commissioner resides on an island other than Oahu;  
14 and
- 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.

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:



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  
2 amended by amending subsection (a) to read as follows:

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

20 In appointing commissioners, the governor shall select  
21 persons who have had experience in accounting, business,



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:

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 Michelle Tidoni  
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**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.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

