

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 3064
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 3064 entitled:

"A BILL FOR AN ACT RELATING TO UTILITY POLES,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit public utilities from installing a new utility pole within ten feet of an existing utility pole, unless the original utility pole will be removed within ninety days of installing the new utility pole.

Your Committee received testimony in support of this measure from The Outdoor Circle and forty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc. and Hawaiian Telcom.

Your Committee finds that when new utility poles are installed adjacent to an existing utility pole, the original pole is often left in place. This results in what is sometimes referred to as double poles. According to testimony received by your Committee, the creation of double poles that remain after ninety days is generally due to the installation of a new utility pole by the utility and the subsequent delay by the joint pole owner in removing that joint pole owner's equipment and the old pole. Your Committee further finds that this measure addresses the situation of double poles by prohibiting public utilities from installing a new utility pole within ten feet of an existing



utility pole, unless the original utility pole will be removed within ninety days of installing the new utility pole.

However, your Committee has heard the concerns that this measure does not address the level of coordination required between multiple joint pole owners, the complexity of equipment transfers, and the nuances associated with utility pole removal. Your Committee understands these concerns and notes that the standards and procedures for equipment transfers, pole removal, and new replacement pole acceptance are controlled under the existing joint pole agreements for joint pole owners and by formal signed agreements between third party attachers and joint pole owners. Your Committee has also heard the concerns that this measure places the burden on the electric utilities for old pole removal. However, according to testimony received by your Committee, the existing joint pole agreements do not permit electric utilities to relocate or transfer certain joint owner or third party equipment.

Your Committee further finds that the Hawaiian Electric Company and Hawaiian Telcom indicated to your Committee that they have recently entered into a memorandum of understanding to jointly address the double pole situation. Your Committee notes that since many of the poles are in the public right of way, new joint pole agreements are required to be submitted to the Public Utilities Commission for review and authorization. The filing of an application with the Public Utilities Commission, which seeks approval of several agreements relating to electric utility distribution pole attachments by joint owners and sub-attaching third parties on jointly-owned electric distribution poles, is imminent. Your Committee concludes that amendments to this measure are necessary, in light of these pending actions.

Accordingly, your Committee has amended this measure by:

- (1) Requesting immediate, favorable action by the Public Utilities Commission once the application for new joint pole agreements has been submitted;
- (2) Requiring a report from the Public Utilities Commission to the Legislature, through the Chairs of the Senate Committee on Commerce, Consumer Protection, and Health

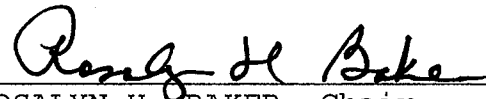


and House Committee on Consumer Protection and Commerce, once the new joint pole agreements have been approved;

- (3) Requiring a preliminary report from the parties to the application, including a status update and timeline for completion, to be submitted to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019;
- (4) Requiring a final report from the parties to the application to be submitted to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020;
- (5) Deleting language that would have prohibited public utilities from installing a new utility pole within ten feet of an existing utility pole, unless the original utility pole was removed within ninety days of installing the new utility pole; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3064, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3064, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 3064	Committee Referral: CPH	Date: 2/28/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	X			
TOKUDA, Jill N. (VC)				X
CHANG, Stanley	X			
ESPERO, Will	X			
IHARA, Jr., Les				X
NISHIHARA, Clarence K.	X			
RUDERMAN, Russell E.				X
TOTAL	4			3
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small; margin-top: 2px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

*Only one measure per Record of Votes