

### 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. Chapter 269, Hawaii Revised Statutes, is 2 amended by adding a new section to be appropriately designated 3 and to read as follows: 4 Electric utility and gas utility capital 5 improvements; review; rate base. (a) An electric utility or 6 gas utility shall submit proposed capital expenditures for any 7 single project related to plant replacement, expansion, or 8 modernization, in excess of \$500,000 or ten per cent of the 9 total plant in service, whichever is less, to the commission for 10 review at least sixty days before the commencement of 11 construction or commitment for expenditure, whichever is 12 earlier. 13 (b) If the commission determines, after a hearing on the
- 14 matter, that any portion of the proposed project provides
  15 facilities that are unnecessary or are unreasonably in excess of
  16 probable future requirements for electric utility or gas utility
  17 purposes, then the electric utility or gas utility shall not



## H.B. NO. 151

1 include that portion of the project in its rate base. If the 2 electric utility or gas utility subsequently convinces the commission that the property in question are necessary or useful 3 for public utility purposes, then the property may be included 5 in the rate base. 6 (c) If the commission does not render a decision and order 7 within ninety days of filing by the electric utility or gas 8 utility, the electric utility or gas utility may include the 9 capital expenditures for the proposed project in its rate base 10 without the determination required by this section." 11 SECTION 2. New statutory material is underscored. 12 SECTION 3. This Act shall take effect upon its approval. 13 INTRODUCED BY: JAN 2 4 2023

# H.B. NO. 1151

### Report Title:

PUC; Electric Utility; Gas Utility; Capital Improvements; Rate Base

### Description:

Requires electric utilities and gas utilities to submit proposed capital expenditures for certain projects to the PUC for review and determination whether the project may be included in the utilities' rate base. Requires the PUC to make a determination within ninety days.

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