
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. Section 269-19, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§269-19 Merger and consolidation of public utilities.**

4 (a) Except as provided in subsection (b), no public utility
5 shall sell, lease, assign, mortgage, or otherwise dispose of or
6 encumber the whole or any part of its road, line, plant, system,
7 or other property necessary or useful in the performance of its
8 duties to the public, or any franchise or permit, or any right
9 thereunder, nor by any means, directly or indirectly, merge or
10 consolidate with any other public utility without first having
11 secured from the public utilities commission an order
12 authorizing it so to do. Every [~~such~~] sale, lease, assignment,
13 mortgage, disposition, encumbrance, merger, or consolidation[~~7~~]
14 made other than in accordance with the order of the commission
15 shall be void.

16 (b) A public utility, under circumstances that it deems
17 exigent and in its judgment require a response that rapidly



1 restores one of its customers to normal, or near normal,
2 operating status in order to prevent serious disruption of
3 essential public services, or avoid serious risk to public
4 safety, or to mitigate severe economic losses to that customer,
5 may transfer, assign, or otherwise dispose of its property
6 without prior approval from the public utilities commission as
7 required in subsection (a); provided that in so doing[+], the
8 public utility:

9 (1) [~~The public utility does~~] Does not unduly hinder or
10 degrade the public utility's operation with respect to
11 its services or other customers;

12 (2) [~~The public utility is~~] Is duly compensated for its
13 property; and

14 (3) [~~The public utility reports~~] Reports in detail to the
15 public utilities commission within thirty days of any
16 [~~such~~] action unless otherwise approved by the public
17 utilities commission for good cause shown.

18 [~~For purposes of~~] As used in this subsection, "property"
19 does not include real property.

20 (c) With respect to mergers, consolidations, acquisitions,
21 or other changes of control under subsection (a), the public



1 utilities commission shall make every effort to complete its
2 review and issue a decision within nine months from the date
3 that the public utility, other than an investor-owned electric
4 utility company, files its completed application seeking an
5 order of authorization.

6 With respect to mergers, consolidations, acquisitions, or
7 other changes of control under subsection (a) for which an
8 investor-owned electric utility company seeks an order of
9 authorization from the public utilities commission, the
10 commission shall make every effort to complete its review and
11 issue a decision within twelve months from the date that the
12 investor-owned electric utility company files its completed
13 application.

14 The nine-month period or twelve-month period in this
15 subsection shall begin only after a completed application has
16 been filed with the commission and a paper or an electronic copy
17 served on the consumer advocate. The commission shall establish
18 standards concerning the data required to be set forth in the
19 application in order for it to be deemed a completed
20 application. The consumer advocate may, within twenty-one days
21 after receipt, object to the sufficiency of any application, and



1 the commission shall hear and determine any objection within
2 twenty-one days after it is filed. If the commission finds that
3 the objections are without merit, the application shall be
4 deemed to have been completed upon original filing. If the
5 commission finds the application to be incomplete, the
6 commission shall require the applicant to submit an amended
7 application consistent with its findings, and the nine-month
8 period or twelve-month period shall not commence until the
9 amended application is filed.

10 Applicants may waive the applicable nine-month period or
11 twelve-month period at any time during consideration of the
12 application. Upon mutual agreement by the parties on the
13 docket, the time limit may be extended to accommodate delays in
14 filings or an extended procedural schedule.

15 If a decision is rendered after the relevant nine-month
16 period or twelve-month period, the public utilities commission
17 shall submit a report to the legislature in writing, on paper or
18 electronically, detailing the reasons for failing to meet the
19 prescribed period within thirty days after rendering the
20 decision.



1 As used in this subsection, an "investor-owned electric
2 utility company" means a for-profit electric utility company
3 that issues stock owned by shareholders."

4 SECTION 2. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun before its effective date.

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect on June 30, 3000.

10



Report Title:

PUC; Deadlines; Merger, Consolidation, Acquisition, or Other Change of Control; Applications; Report

Description:

Requires the public utilities commission to make every effort to complete its review for a merger, consolidation, acquisition, or other change of control and issue a decision within nine months or twelve months from the date of a completed application.

Requires the public utilities commission to establish standards for deeming an application complete. Specifies the process for objections and amendments to submitted applications. Allows for waiver or extension of the applicable time period. Requires the public utilities commission to submit a report to the legislature if those timelines are not met. Effective 6/30/3000. (HD1)

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

