

JAN 23 2026

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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. This Act shall be known and may be cited as the  
2 "Public Utilities Commission Intervenor Compensation Act of  
3 2026".

4 SECTION 2. The legislature finds that public participation  
5 in proceedings before the public utilities commission is  
6 essential to informed regulatory decision-making that affects  
7 all residents of the State. The legislature finds, however,  
8 that public interest groups, community organizations, and  
9 individual consumers often lack the financial, legal, and  
10 technical resources necessary to effectively participate in  
11 public utilities commission proceedings. In contrast, utility  
12 companies typically possess extensive legal and technical  
13 resources to advance their positions, resulting in a structural  
14 imbalance in commission proceedings. The legislature further  
15 finds that this resource imbalance can result in regulatory  
16 capture, where decisions disproportionately favor utility  
17 interests over consumer protection, environmental stewardship,



1 and advancement of public policy goals. The legislature  
2 believes that addressing this imbalance is particularly  
3 significant for the State, where informed and effective public  
4 interest participation is essential to advancing the State's  
5 renewable energy goals, maintaining affordable utility rates,  
6 and ensuring equitable access to utility services.

7 The legislature also finds that California and other states  
8 have successfully implemented intervenor compensation programs  
9 to level the playing field between community members and utility  
10 companies, leading to robust public participation and better-  
11 informed regulatory decision-making. California's intervenor  
12 compensation program has awarded hundreds of millions of dollars  
13 to public interest groups since its inception, enabling  
14 participation and effective advocacy that has resulted in  
15 billions of dollars in consumer savings and accelerated  
16 achievement of clean energy goals. Intervenor compensation  
17 programs in other jurisdictions have achieved more balanced  
18 representations of diverse stakeholder interests in regulatory  
19 proceedings, the introduction of technical expertise and  
20 evidence that would otherwise be unavailable to the respective  
21 public utilities commission, better informed commission



1 decisions, improved consumer outcomes, and greater trust in the  
2 regulatory process.

3 Accordingly, the purpose of this Act is to establish an  
4 intervenor compensation program to reimburse qualified  
5 intervenors for reasonable costs incurred for making substantial  
6 contributions in proceedings before the public utilities  
7 commission.

8 SECTION 3. Chapter 269, Hawaii Revised Statutes, is  
9 amended by adding a new part to be appropriately designated and  
10 to read as follows:

11                   **"PART . INTERVENOR COMPENSATION PROGRAM**

12                   **§269-** **Definitions.** As used in this part:

13                   "Commission" means the public utilities commission.

14                   "Intervenor" means any person, other than an original  
15 party, admitted as a party in a commission proceeding.

16                   "Person" has the same meaning as defined in section 91-1.

17                   "Reasonable costs" includes costs for legal representation,  
18 expert witnesses, consultants, technical assistance,  
19 administrative, document reproduction, travel to attend hearings  
20 and working group meetings, and other necessary professional



1 services at rates not exceeding prevailing market rates for  
2 similar services.

3 "Significant financial hardship" means that the payment of  
4 reasonable costs would impose an unreasonable burden on the  
5 intervenor considering the intervenor's financial resources and  
6 the nature of the intervenor's interest in the proceeding.

7 "Substantial contribution" means presentation of evidence,  
8 legal argument, or expert testimony that materially assists the  
9 commission in reaching its decision.

10 **§269- Intervenor compensation program; established;**  
11 **qualification criteria.** (a) The commission shall establish an  
12 intervenor compensation program to reimburse qualified  
13 intervenors for reasonable costs incurred from making a  
14 substantial contribution to a commission proceeding.

15 (b) To qualify for reimbursement, an intervenor shall:  
16 (1) Represent consumer, environmental, renewable energy,  
17 community, or other public interests;  
18 (2) Demonstrate that participation in the commission  
19 proceeding without reimbursement for reasonable costs  
20 would impose significant financial hardship on the  
21 intervenor; provided that for nonprofit organizations,



1                   determination of significant financial hardship shall  
2                   consider the organization's overall budget, other  
3                   funding sources, and mission priorities;

4                   (3) Make a substantial contribution to a commission  
5                   proceeding;

6                   (4) Not have a commercial interest that could be  
7                   substantially affected by the outcome of the  
8                   commission proceeding; and

9                   (5) Not have an alternative source of funding available  
10                  for the reimbursement of the reasonable costs.

11                  (c) The following persons shall be presumed to have met  
12                  the qualification criteria in subsection (b), unless rebutted by  
13                  evidence to the contrary:

14                  (1) Nonprofit organizations with annual budgets under  
15                  \$5,000,000 whose mission includes utility consumer  
16                  protection, environmental advocacy, or renewable  
17                  energy advancement;

18                  (2) Community organizations representing low-income,  
19                  Native Hawaiian, or environmental justice communities;

20                  (3) Academic institutions or researchers providing  
21                  independent technical analysis; and







1 than sixty days after the proper filing of the motion. The  
2 commission may authorize interim payments of up to five per cent  
3 of estimated reasonable costs upon showing of financial hardship  
4 and likelihood of substantial contribution, with final  
5 reconciliation upon completion of the proceeding. No  
6 reimbursement awarded shall exceed reasonable costs that were  
7 necessary for the intervenor's substantial contribution to the  
8 commission proceeding.

9 (d) All reimbursement of reasonable costs shall be funded  
10 through assessments imposed by the commission on the public  
11 utilities whose rates, charges, or operations are the subject of  
12 the commission proceeding, in proportion to each utility's  
13 interest in the proceeding. Any amounts assessed under this  
14 section shall be recoverable by the assessed utilities as  
15 regulatory commission expenses, subject to commission approval.

16 (e) The commission shall not impose arbitrary caps on  
17 total reimbursements available; provided that the commission may  
18 review the reasonableness of individual cost items to ensure  
19 that they are necessary for substantial contribution. The  
20 commission shall apply the same standards of reasonableness to



1 intervenor costs as it applies to utility counsel and expert  
2 witness costs in commission proceedings.

3 (f) All motions for intervenor compensation, supporting  
4 documentation, and decisions of the commission on compensation  
5 requests shall be publicly available on the commission's website  
6 within ten business days of filing or issuance.

7       **\$269-**    **Rules.** No later than January 1, 2027, the  
8    commission shall adopt rules pursuant to chapter 91 necessary to  
9    carry out the purposes of this part. The rules shall, at a  
10   minimum, specify the qualification criteria, develop specific  
11   reimbursement procedures, and establish standards for  
12   determining substantial contribution. Standards for determining  
13   whether an intervenor has made a substantial contribution to a  
14   commission proceeding may include but are not limited to:

15 (1) Presentation of evidence or arguments not otherwise  
16 adequately presented by other parties;  
17 (2) Introduction of expert testimony materially assisting  
18 the commission's analysis;  
19 (3) Presentation of legal arguments clarifying significant  
20 issues before the commission;



1 (4) Advocacy that materially influences the commission's  
2 decision;

3 (5) Representation of constituencies whose interests would  
4 otherwise be underrepresented in the proceeding;

5 (6) Development or presentation of technical models,  
6 analyses, or methodologies that inform commission  
7 decision-making;

8 (7) Effective cross-examination of witnesses that  
9 clarifies critical issues;

10 (8) Facilitation of settlement negotiations or consensus-  
11 building among parties; and

12 (9) Participation in working groups or technical  
13 conferences that advances proceeding objectives.

14 The standards of substantial contribution shall be  
15 construed liberally to encourage public interest participation  
16 and shall not be applied to deny compensation solely because the  
17 commission did not adopt an intervenor's recommendation;  
18 provided that the intervenor's participation materially informed  
19 the commission's deliberations.

20 **§269- Annual report.** The commission shall submit a  
21 report of its findings and recommendations on the operations of



1 the intervenor compensation program for the previous fiscal  
2 year, including any proposed legislation, to the legislature no  
3 later than twenty days prior to the convening of each regular  
4 session. The annual report shall detail at a minimum:  
5 (1) The number of reimbursement requests and awards made;  
6 (2) The total amount of reimbursements awarded and funding  
7 sources;  
8 (3) The types of commission proceedings involving  
9 intervenor reimbursements;  
10 (4) The assessment of the program's effectiveness,  
11 including analysis of whether program participation is  
12 achieving balanced representation across consumer,  
13 environmental, and community interests; and evaluation  
14 of consumer benefits resulting from intervenor  
15 participation, including estimated ratepayer savings,  
16 renewable energy advancement, and improved utility  
17 performance;  
18 (5) Names of persons receiving compensation and their  
19 areas of representation;  
20 (6) Average time from request submission to payment;



- (7) Examples of substantial contributions made by compensated intervenors and resulting commission decisions;
- (8) Comparison of intervenor compensation costs to total regulatory expenses and utility revenues at issue in commission proceedings; and
- (9) Identification of barriers to participation and recommendations for program improvements."

9 SECTION 4. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$500,000 or so much  
11 thereof as may be necessary for fiscal year 2026-2027 for the  
12 establishment and initial administration of the intervenor  
13 compensation program by the public utilities commission,  
14 including development of rules, establish of procedures,  
15 outreach to potential participants, and administrative support.

16 The sum appropriated shall be expended by the public  
17 utilities commission for the purposes of this Act.

**18** SECTION 5. This Act shall take effect on July 1, 2026.

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INTRODUCED BY: *Mike Gabban*



# S.B. NO. 2711

**Report Title:**

PUC; Intervenor Compensation Program; Establishment; Reports; Appropriation

**Description:**

Requires the Public Utilities Commission to establish an Intervenor Compensation Program to reimburse qualified intervenors participating in commission proceedings for reasonable costs incurred for making substantial contributions. Requires reports to the Legislature. Appropriates funds.

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

