

## ACT 262

S. B. 1018.

A Bill for an Act Relating to the Franchises Granted for the Purpose of Manufacturing and Supplying Gas on the Island of Oahu and the District of South Hilo, County of Hawaii, and the Extension of the Franchises to the Entire State of Hawaii.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The franchises for the purpose of the manufacture and supply of gas in Honolulu (L. 1903, c. 30, as modified by 33 Stat. 231, c. 1406; am. L. 1915, cc. 24, 225; as am. L. 1915, c. 24, ratified, etc., June 16, 1916, 39 Stat. 231, c. 156, s. 3; 39 Stat. 232, c. 158; R. L. 1925, Vol. II, p. 2050. Expressly made subject to L. 1913, c. 89, see 39 Stat. 38, c. 53, confirmed and amended L. 1961, c. 134) and South Hilo (L. 1913, c. 152; am. and as am., ratified, etc., Aug. 21, 1916, 39 Stat. 524, c. 370; R.L. 1925, Vol. II, p. 2054, confirmed and amended L. 1961, c. 134) are combined and amended to read as follows:

**Section 1. Manufacture and supply of gas; laying pipes, etc., in streets.** Honolulu Gas Company, Limited, a Hawaii corporation, and its successors and assigns, is hereby authorized and empowered to manufacture and supply gas for use as a fuel, illuminating purposes and otherwise, throughout the State of Hawaii and to erect and maintain at such places within the State of Hawaii such buildings, machinery and appurtenances as may be necessary for the production, manufacture and storage of gas and its various by-products. The corporation, its successors and assigns, shall have the right to place, construct, erect, or otherwise build pipes, mains, conduits, tunnels, meters, manholes and other appurtenances, in, on, above, along or under public rights-of-way throughout the State of Hawaii, provided that the proposed installation meets standards prescribed by the public utilities commission governing such installations.

**Section 2. Meters, rates.** The corporation shall have the right to install, maintain and use gas meters or other means for measuring the amount of gas used from time to time and in such places as may be deemed necessary, and to operate the same for all purposes connected with the use of such gas, and shall also have the right to charge, receive and collect from all consumers of gas such reasonable prices as it may from time to time fix and determine in conformity with the laws of this State regulating public utilities, and the regulations of the public utilities commission made pursuant thereto; and the corporation shall also have the right to charge consumers or intended consumers of gas for the cost and expense of making connections between the mains and premises where such gas is to be used,

and may also include the price for all connection pipes, gas fixtures, and other material necessary.

**Section 3. Cutting off service.** The corporation shall also have the right to cut off the supply of gas from any consumer who shall refuse or fail to pay amounts due for gas so supplied by the corporation within such reasonable time as may be fixed for payment of the same; but such cutting off shall not prevent the corporation from using any remedies now or which may hereafter be authorized by law for collecting debts.

**Section 4. Rules, regulations.** The rights and powers hereby granted shall be exercised in such manner as to cause the least inconvenience to the public; and the corporation shall provide gas of the best quality obtainable, which quality shall be subject to the control of such reasonable rules and regulations as the public utilities commission shall from time to time deem necessary, and the buildings and machinery, with all appurtenances to be erected, and general plant to be maintained in connection therewith, together with the offices, books and accounts of the corporation, shall be open to examination and inspection at all times by the public utilities commission or someone duly authorized by them for that purpose.

**Section 5. Mortgages, bonds.** The corporation shall have power to mortgage the franchise hereby conferred to secure the payment of bonds or other monetary obligations incurred in the construction of buildings, machinery, pipes, conduits, and appurtenances and the manufacturing and supplying of gas as provided by this Act.

**Section 6. Annual payments to counties.** The said corporation shall, within one month after the expiration of each calendar year, file with the public utilities commission a statement showing the gross receipts of the corporation from the sale of gas furnished through mains or conduits in public rights-of-way in each county under the terms of this Act, and shall at the same time pay to the treasurer of each county, two and one-half per centum of the gross receipts of the corporation from the sale of gas furnished through such mains or conduits in that county under the terms of this Act during the preceding calendar year.

**Section 7. Acquisition of property.** The corporation shall have the right to acquire, hold or take over either by purchase or lease, property, real, personal or mixed, as may be necessary for the proper conduct of its business, but said corporation shall not have power or right to acquire the franchise or property of any other public utility company, except with the approval of the public utilities commission.

**Section 8. Eminent domain.** The corporation may continue to exercise the power of eminent domain under section 8-4, Revised Laws of Hawaii 1955, or any amendment thereof, provided, that prior to the exercise of the power,

(a) the corporation submits to the public utilities commission its intention to exercise the power, with a description of the property to be condemned; and

(b) the public utilities commission finds that the proposed condemnation is necessary, and that the corporation will use the property, for its operations as a public utility.

**Section 9. Repeal or amendment; construction.** The legislature may at any time hereafter alter, amend or repeal this franchise. This franchise shall not be construed to grant any exclusive right or privilege or to limit the power of the legislature to grant additional franchises for the operation of competitive or other public utilities. This franchise shall not be construed to limit the power of the public utilities commission of the State of Hawaii or any other officer or agency of the State of Hawaii under chapter 104 of the Revised Laws of Hawaii 1955, or any amendments thereto, or under any laws of the State of Hawaii. In case of any conflict between this franchise and statutes concerning the public utilities commission, the latter shall prevail.

SECTION 2. Nothing contained in this Act shall affect the validity of all actions performed by Honolulu Gas Company, Limited, or its predecessors, under either of the franchises for the manufacture and supply of gas in Honolulu and South Hilo in effect prior to the effective date of this Act.

SECTION 3. This act shall take effect upon its approval.

(Approved June 7, 1967.)