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TO THE SENATE COMMITTEE ON WAYS AND MEANS

THE TWENTY-EIGHTH LEGISLATURE  
REGULAR SESSION OF 2016

FRIDAY, FEBRUARY 25 2016  
9:30 A.M.

TESTIMONY OF JEFFREY T. ONO, EXECUTIVE DIRECTOR, DIVISION OF  
CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER  
AFFAIRS, TO THE HONORABLE JILL N. TOKUDA, CHAIR,  
AND MEMBERS OF THE COMMITTEES

SENATE BILL NO. 2776, S.D. 1 - RELATING TO THE PUBLIC UTILITIES  
COMMISSION

DESCRIPTION:

This measure proposes to allow a commissioner to attend by teleconference or videoconference a public hearing of the Public Utilities Commission ("Commission"), except for a contested case hearing, including allowing a commissioner who resides on an island other than Oahu to attend a public hearing of the Commission held on an island other than Oahu, by teleconference or video conference. This measure also proposes to enable a member of the Commission who is a resident of a county other than the City and County of Honolulu to receive per diem compensation and enable a person's island of residence to be used as a criterion when determining the person's qualification to service as a commissioner. Effective July 1, 2050.

POSITION:

The Division of Consumer Advocacy ("Consumer Advocate") supports this bill.

COMMENTS:

The Commission is responsible for protecting the interests of consumers and regulated utilities on all islands. The decisions of the Commission, especially in the energy field, will have a profound effect upon this state for years to come. The Consumer Advocate pointed out that where an individual previously lived and grew up may be equally important to that individual's perspective as to where that individual currently resides. In other words, someone who grew up on the neighbor islands, but who currently resides on Oahu, may have a closer affinity to the neighbor islands than someone who recently moved there. The Consumer Advocate therefore supports the amendment in this SD1 that changes the neighbor island residency requirement to a factor to be considered in selecting all commissioners.

In order to encourage neighbor island residents to serve on the Commission, neighbor island commissioners should not be financially disadvantaged compared to their Oahu counterparts. The Consumer Advocate therefore supports the provision in this legislation that requires a per diem compensation to neighbor island commissioners.

The Consumer Advocate further supports the provision in this legislation that allows for teleconference or videoconference participation by commissioners to attend public hearings. The Consumer Advocate suggests that the decision to allow teleconference or videoconference participation be left to the discretion of the Chair of the Commission, because there may be certain instances where teleconference or videoconference is impractical or inappropriate.

Thank you for this opportunity to testify.

TESTIMONY OF RANDY IWASE  
CHAIR, PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII  
TO THE  
SENATE COMMITTEE ON  
WAYS AND MEANS

February 25, 2016  
9:30 AM

**MEASURE:** S.B. No. 2776, S.D. 1  
**TITLE:**RELATING TO THE PUBLIC UTILITIES COMMISSISON

Chair Tokuda and Members of the Committee:

**DESCRIPTION:**

This measure allows commissioners of the Public Utilities Commission (“Commission”) to attend public hearings held on islands that they do not reside by teleconference or video conference; provided the hearing is not a contested case hearing. This measure also requires that commissioners who are residents of a county other than the city and county of Honolulu be provided with an unspecified per diem compensation “for the days on which actual service is rendered.” Finally, this measure explicitly allows for a person’s island of residence to be used as a criterion when determining the person’s qualification to serve as a commissioner.

**COMMENTS:**

The Commission appreciates the option to allow a commissioner to attend public hearings held on islands that they do not reside via teleconference or video conference, provided that the public hearing is not a contested case hearing. The Commission also notes that establishing the ability to exercise this option could be costly, particularly if the service employed would afford a level of functionality and reliability similar to that which could be expected if the commissioner were physically present.

The Commission also notes that providing per diem compensation for commissioners who are residents of a county other than the city and county of Honolulu is fair given the costs associated with working outside one’s county of residence. Compensation for lodging and transportation should also be considered.

Thank you for the opportunity to testify on this measure.



COLLEGE OF SOCIAL SCIENCES

# HAWAII ENERGY POLICY FORUM

UNIVERSITY OF HAWAI'I AT MĀNOA

## Hawaii Energy Policy Forum

Jeanne Schultz Afuvai, Hawaii Inst. for Public Affairs  
Karlie Asato, Hawaii Government Employees Assn  
Joseph Boivin, Hawaii Gas  
Warren Bollmeier, Hawaii Renewable Energy Alliance  
Michael Brittain, IBEW, Local Union 1260  
Albert Chee, Chevron  
Elizabeth Cole, The Kohala Center  
Kyle Datta, Ulu pono Initiative  
Mitch Ewan, UH Hawaii Natural Energy Institute  
Jay Fidell, ThinkTech Hawaii  
Carl Freedman, Haiku Design & Analysis  
Matthias Fripp, REIS at University of Hawaii  
Ford Fuchigami, Hawaii Dept of Transportation  
Mark Glick, Hawaii State Energy Office, DBEDT  
Justin Gruenstein, City & County of Honolulu  
Dale Hahn, Ofc of US Senator Brian Schatz  
Michael Hamnett, SSRI at University of Hawaii  
Senator Lorraine Inouye, Hawaii State Legislature  
Randy Iwase, Public Utilities Commission  
Ashley Kaono, Ofc of US Representative Tulsi Gabbard  
Jim Kelly, Kauai Island Utility Cooperative  
Darren Kimura, Energy Industries  
Kelly King, Sustainable Biodiesel Alliance  
Kal Kobayashi, Maui County Energy Office  
Representative Chris Lee, Hawaii State Legislature  
Gladys Marrone, Building Industry Assn of Hawaii  
Stephen Meder, UH Facilities and Planning  
Hermina Morita, Energy Dynamics  
Sharon Moriwaki, UH Public Policy Center  
Tim O'Connell, US Dept of Agriculture  
Jeffrey Ono, Division of Consumer Advocacy, DCCA  
Stan Osserman, HCATT  
Darren Pai, Hawaiian Electric Companies  
Melissa Pavlicek, Hawaii Public Policy Advocates  
Randy Perreira, Hawaii Government Employees Assn  
Rick Reed, Hawaii Solar Energy Assn  
Cynthia Rezentes, Ofc of US Representative Mark Takai  
Rick Rocheleau, UH Hawaii Natural Energy Institute  
Will Rolston, Hawaii County, Research & Development  
Riley Saito, SunPower Systems  
Scott Seu, Hawaiian Electric Companies  
Joelle Simonpietri, US Pacific Command Energy Ofc  
H. Ray Starling, Hawaii Energy  
Ben Sullivan, Kauai County  
Lance Tanaka, Par Hawaii, Inc.  
Maria Tome, Public Utilities Commission  
Alan Yamamoto, Ofc of US Senator Mazie Hirono

## Testimony of the Hawaii Energy Policy Forum Before the

Senate Committee on Ways and Means

Thursday, February 25, 2016 at 9:30am in Conference Room 211

### Comments on SB 2776 SD1, Relating to The Public Utilities Commission

Chair Tokuda, Vice-Chair Dela Cruz, and Members of the Committee,

The Hawaii Energy Policy Forum ("HEPF"), created in 2002, is comprised of over 40 representatives from Hawaii's electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. Our vision, mission and comprehensive "10 Point Action Plan" guide us in moving Hawai'i toward its preferred energy goals and our comments on this bill.

SB2776 SD1 addresses neighbor island representation on the Public Utilities Commission ("PUC"), specifically allowing commissioners to attend public hearings by teleconference or videoconference, allowing residency to be used as a criterion and providing for per diem compensation for commissioners residing in a county other than the city and county of Honolulu.

While neighbor island residency may well be an appropriate consideration in the appointment of commissioners and their confirmation by the Senate, there should be no determinant criteria of residency. Rather, the most important determinant should be the most qualified individuals regardless of where they live in the State. A candidate's experience and qualifications, including where they have lived and for how long, should be the considerations taken into account, rather than where they currently reside.

If a neighbor island resident is selected as commissioner, the HEPF fully supports their participation at hearings through additional financial support for travel and reasonable living allowance for time spent on Oahu as well as use of teleconferencing and videoconferencing.

Thank you for the opportunity to testify.

*This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies.*