

HCR-41

Submitted on: 4/17/2023 6:49:51 PM

Testimony for CPN on 4/19/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Zhizi Xiong	Testifying for CARES	Support	In Person

Comments:

CARES testifies in strong support.

TESTIMONY OF
LEODOLOFF R. ASUNCION, JR.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION

April 19, 2023
2:00 p.m.

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

MEASURE: H.C.R. No. 41

TITLE: Urging the Public Utilities Commission to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

POSITION:

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

COMMENTS:

The Commission appreciates the intent of this resolution to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

In April 2018, Hawaiian Telcom, Inc. (“Hawaiian Telcom”) and Hawaiian Electric¹ filed an application requesting Commission approval for the transfer of Hawaiian Telcom’s ownership equity interest in joint poles to Hawaiian Electric². In their application, Hawaiian Electric “committed to performing a minimum of 1,000 standard transfers and double pole removals per year. [In addition,] Hawaiian Telcom has committed to performing a

¹ Hawaiian Electric consists of Hawaiian Electric Company, Inc.; Hawaii Electric Light Company, Inc.; and Maui Electric Company, Limited.

² Application filed with the Commission on April 4, 2018 in Docket No. 2018-0075 (“Application”).

minimum of 50 non-standard transfers and double pole removals per year. The double pole backlog will be brought to a net zero within ten years.”³

In October 2018, the Commission approved their request in Decision and Order No. 35768⁴, in which it noted that “the Hawaiian Electric will be conducting a six-month field survey assessment of the approximately 14,000 double poles that exist in the Hawaiian Electric’ service territory, as part of their obligations under the agreements.”⁵ Since that time, Hawaiian Electric has completed their assessment and commenced on removing the double poles.

The Commission is aware that Hawaiian Electric has recently provided updated information to the media on their efforts to remove abandoned or double utility poles. In a March 2023 interview with Hawaii Public Radio, Hawaiian Electric commented that they are approaching the midpoint of their ten-year plan to remove the double poles. Additionally, they stated that given the past challenges with labor and resources due to the COVID-19 pandemic, they expect to increase their efforts in 2023, which should enable them to achieve their ten-year goal.

The Commission adopted and incorporated by reference the 2002 edition of the National Electrical Safety Code (“NESC”) via Hawaii Administrative Rules (“HAR”) § 6-73-11(b). The NESC has been updated (2023 edition, released in August 2022). Accordingly, the Commission will review the 2023 NESC in preparation for updating HAR Chapter 6-73.

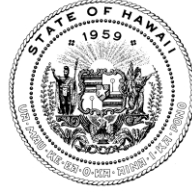
The Commission will continue to monitor and work closely with Hawaiian Electric and Hawaiian Telcom in their efforts to remove the remaining abandoned or double utility poles within their committed ten-year period.

Thank you for the opportunity to testify on this measure.

³ Application, page 23.

⁴ Docket No. 2018-0075, Decision and Order No. 35768 filed on October 16, 2018, page 31. The Commission approved an agreement that would transfer ownership of approximately 120,000 utility poles from Hawaiian Telcom to Hawaiian Electric.

⁵ “The baseline double pole field survey will provide details on the condition of all poles in question, the exact quantity of poles, the quantity of attachments on the poles, and whether the transfer work is standard and will now be the responsibility of Hawaiian Electric Companies to perform, or non-standard and remain the responsibility of Hawaiian Telcom to perform.” Application in Docket No. 2018-0075, page 23.



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce and Consumer Protection
Wednesday, April 19, 2023
2:00 p.m.
Room 225**

**On the following measure:
H.C.R. 41, URGING THE PUBLIC UTILITIES COMMISSION TO REEVALUATE
AND ADOPT ADMINISTRATIVE RULES RELATING TO THE REMOVAL OF
ABANDONED OR DOUBLE UTILITY POLES, LINES, AND EQUIPMENT**

Chair Keohokalole and Members of the Committee:

My name is Dean Nishina, and I am the Acting Executive Director for the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department provides comments on this resolution.

The purpose of this resolution is to urge the Public Utilities Commission (Commission) to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment. The resolution also requests that the Commission adopt updated provisions of the National Electrical Safety Code to streamline the removal of double poles and other unsafe abandoned equipment.

The Department supports the intent of this resolution since, as noted in this resolution, abandoned utility infrastructure (i.e., poles, lines and equipment) can, if left unchecked, become a hazard and impact the safety of the public.

The Department offers that removal of many abandoned poles also known as “double poles” is in progress. The removal of approximately 14,000 double poles throughout much of the islands was a benefit cited by the parties in their application in Docket No. 2018-0075, a Commission proceeding regarding the transfer of Hawaiian Telcom’s utility poles (and/or interests) to the Hawaiian Electric Companies. The Commission approved the transfer of poles on October 16, 2018. Upon recent dialogue with a representative of Hawaiian Electric, we learned that Hawaiian Electric conducted a 2019 audit of its poles, including the poles in question. Through that audit, Hawaiian Electric identified approximately 9,400 double poles that they were responsible to remove as opposed to 14,000, which was provided as an estimate in the 2018 docket. Hawaiian Electric further offered that they have removed 2,547 to date; and have a known “backlog” of 6,853 more to further remove. In their application, consistent with their joint agreement, the parties made the following commitments:

The Hawaiian Electric Companies have committed to performing a minimum of 1,000 standard transfers and double pole removals per year. Hawaiian Telcom has committed to performing a minimum of 50 nonstandard transfers and double pole removals per year. The double pole backlog will be brought to a net zero within ten years.¹

Given the recent communication from Hawaiian Electric, it appears that Hawaiian Electric has not adhered to the anticipated schedule of the removal of existing double poles.

While we agree with the resolution’s sentiments that “removal of unnecessary and unsightly derelict lines and poles will eliminate a potential public hazard, organize communication and utility pole lines, and favorably influence the surrounding community”, we offer that rulemaking is generally a lengthy process. Thus, rather than suggest that the Commission should address this issue through rulemaking, the Department respectfully suggests that the Commission be allowed to address this issue by order. Allowing the Commission to address this by order will enable the Commission to take up

¹ Application of Hawaiian Telcom, Inc., Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., and Maui Electric Company, Limited, filed on April 4, 2018, in Docket No. 2018-0075, at 23.

this issue of unused/abandoned poles in the public rights-of-way in any ongoing and/or future proceeding of the Commission and the Department will ensure that this issue will be monitored and addressed in an applicable proceeding.

Thank you for the opportunity to testify on this resolution.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION**

HCR 41

**URGING THE PUBLIC UTILITIES COMMISSION TO REEVALUATE AND ADOPT
ADMINISTRATIVE RULES RELATING TO THE REMOVAL OF ABANDONED OR
DOUBLE UTILITY POLES, LINES, AND EQUIPMENT.**

Wednesday, April 19, 2023
2:00 p.m., Agenda Item #2
State Capitol, Conference Room 225

Paul Nakagawa, P.E.
Supervisor, Joint Pole
Hawaiian Electric

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

My name is Paul Nakagawa, and I am testifying on behalf of Hawaiian Electric supporting the intent of HCR 41, and offering comments for consideration.

Hawaiian Electric continues to work with joint pole owners and attachers to transfer their respective facilities from the older pole to the newer pole, where the two poles standing side-by-side are also known as a double pole. This issue arose over the years largely due to the complexities of multiple utility ownership and attachers for a given pole, who also have the responsibility to safely transfer their own facilities from the older pole to the newer pole, before the older double pole can be removed. Joint pole owners and attachers are informed when a new pole is installed, but Hawaiian Electric has limited control when they respond to transfer their facilities.

In 2018, Hawaiian Electric and Hawaiian Telcom agreed to a plan where Hawaiian Electric would purchase Hawaiian Telcom's ownership share in those poles

that were jointly owned with Hawaiian Telcom and commit to a ten-year removal plan of backlog double poles.

In 2018, we estimated Hawaiian Electric had approximately 16,000 backlog double poles. In 2019, through a field audit, pole record research, and transfer follow-ups with other utilities and attachers, we identified roughly 9,400 existing backlog double poles to be Hawaiian Electric's responsibility to remove. To date, we have removed about 2,500 backlog double poles, with roughly 6,900 remaining, most of them on Oahu. Hawaiian Electric is committed to ensuring public safety and addressing the remaining backlog of double poles.

Since Hawaiian Electric is working with joint pole owners and attachers to complete their transfers so the double poles can be removed, the adoption of administrative rules may be unnecessary. Further, Hawaiian Electric prefers if HCR 41 did not specify the PUC "adopt updated provisions of the National Electrical Safety Code" but leave it to the PUC to evaluate and determine the best way to accomplish this goal.

Thank you for this opportunity to testify.



Written Statement of
Jeannine Souki
Senior Manager – Government & Regulatory Affairs

SENATE COMMITTEE ON COMMERCE & CONSUMER PROTECTION

April 19, 2023 – 2:00 PM
Conference Room 225, Hawai'i State Capitol

COMMENTS FOR:

H.C.R. 41 – URGING THE PUBLIC UTILITIES COMMISSION TO REEVALUATE AND ADOPT ADMINISTRATIVE RULES RELATING TO THE REMOVAL OF ABANDONED OR DOUBLE UTILITY POLES, LINES, AND EQUIPMENT

To: Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair
Members of the Committee on Commerce & Consumer Protection

Re: Testimony providing comments for HCR 41

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for this opportunity to offer comments on HCR 41, urging the Public Utilities Commission to reevaluate and adopt administrative rules relating to the removal of abandoned or double utility poles, lines, and equipment.

Hawaiian Telcom appreciates the intent of this concurrent resolution; however, we believe that the issues covered in HCR 41 are being addressed by the existing formal agreements between Hawaiian Telcom and Hawaiian Electric. These formal agreements, which were reviewed and approved by the Public Utilities Commission in Docket No. 2018-075¹, established standards and procedures for remediating a significant portion of double poles when Hawaiian Telcom transferred its joint pole ownership interests of nearly 120,000 poles to Hawaiian Electric in October 2018.

¹ Hawaii PUC [Decision & Order 35768, Docket No. 2018-075](#), last accessed on April 18, 2023.



Among the objectives of Hawaiian Telcom's sale of its portion of the jointly owned poles to Hawaiian Electric was to address the double pole issue. Hawaiian Telcom is on track with its efforts to remediate the double poles requiring more complex equipment transfers.

While we appreciate the intent of this concurrent resolution, we urge the Committee to stand by the existing formal agreements between Hawaiian Electric and lessees, as any further changes may add more complexity lengthening the process for removals and driving up costs to remediate remaining double poles.

Hawaiian Telcom appreciates the opportunity to testify on this measure.

