Revitalization of the PUC and DCA is essential to implement progressive Hawaii energy policies.

Carl Freedman January 19, 2006
Agency Capability is Essential

- Agencies provide crucial functions necessary for sound energy policy implementation.
  - PUC is primary agency implementing Hawaii’s Renewable Portfolio Standards.
  - Existing and proposed energy statutes all fundamentally rely on the PUC and DCA to ensure effective, reasonable and fair policy implementation.
Funding and Staffing

The PUC and DCA are both under-funded and understaffed.

- Hawaii PUC staff size is the smallest per capita for any of the smaller states in the nation.
- Hawaii’s utility regulatory agencies have more duties than most mainland counterparts.
- Salaries are low by industry and mainland standards.
- Job requirements and duties are more demanding than other Hawaii state agency counterparts.
Regulatory Commission Staff Levels
States Under 2 Million Population
Recommendation #1

- Use the existing PUC Special Fund to provide adequate funding for the PUC and DCA.
  - Remove provision that dumps excess collections from the Special fund to the General Fund.
  - Provide for refund of excess collections back to utility customers from whom funds are collected.
Recommendation #2

➢ Allow additional exempt positions for the PUC and DCA.

• These agencies have specialized job requirements that are not provided for by existing Hawaii job classifications.

• Both agencies have difficulties recruiting and retaining qualified staff.

• Maintaining an experienced and qualified staff is essential to fulfill these agencies’ special duties.
Recommendation #3

- Increase PUC commissioner salaries to at least the level of DCA executive director’s salary.
  - Low existing commissioner salary levels create a restrictive and problematic “glass ceiling” for PUC staff salaries.
  - Commissioner salaries are low by mainland agency standards.
  - Commissioned salaries are low in relation to agency stature compared to corresponding Hawaii agencies.
Revitalization of the PUC and DCA is essential to implement progressive Hawaii energy policies.