

**HAWAII ENERGY POLICY FORUM
REGULATORY REFORM WORKING GROUP
ACTION PLAN**

**TEN POINT PLAN POINT #5
Enhance Regulatory Goals and Protections.**

Goal:

- Ensure policies, laws and regulations are consistent in promoting efficiency and renewable resources.
- Promote policies, reforms and resources to support the Public Utilities Commission (PUC) and the Division of Consumer Advocacy (DCA) in progressive and aggressive efforts to protect the public's interest and implement sound energy strategy.

Background:

Two important ways that the State expresses its energy policies are through its laws and through the actions of its utility regulatory agencies. It is important that the State's laws encourage, rather than impede, energy efficiency and renewable energy resources. The State's utility regulatory program includes the Public Utilities Commission and the Division of Consumer Advocacy. Both of these agencies play central and essential roles in determining and implementing the State's energy policies. These agencies need sufficient resources and a determined resolve to promote sound energy policies.

Objectives and Desired Outcomes:

- Improve County and State policies and regulations to enable and promote energy efficiency and renewable energy resources.
 - Determine what existing policies and regulations present barriers to promoting efficiency and renewable resources
 - Identify solutions and opportunities to make state and county policies and regulations supportive of efficiency and renewable resources
- Provide for adequate financial and staff resources for the PUC and DCA
 - Staff salaries commensurate with industry standards and sufficient to attract and maintain qualified personnel
 - Agency modernization and reorganization to facilitate efficient agency productivity
 - Agency budgets sufficient to retain qualified consulting services as necessary
- Develop awareness of the importance of implementing progressive energy policy
 - Appreciation by government leaders and legislators of the crucial importance of regulatory agency capability and productivity to implement sound state energy policies.

- Active resolve by the PUC and DCA to embrace and implement progressive energy policies in the regulation of the State's energy utilities.

Indicators / Metrics:

- All pertinent county and state ordinances, statutes, administrative rules and agency policies reviewed for consistency with enabling and promoting energy efficiency and renewable resources.
- Specific solutions and opportunities identified to make policies and regulations more conducive to energy efficiency and renewable resources.
- Specific amendments proposed and promoted to improve county and state policies and regulations.
- Government leaders informed and appreciative of the importance of regulatory agency capability and productivity
- Support and passage of regulatory agency reorganization plans to provide invigorated agency capability and productivity
 - Sufficient and appropriate agency staff positions
 - Sufficient agency staff salaries
 - Sufficient agency budgets
- Adequate financial and staff resources for the PUC and DCA
 - Staff salaries commensurate with industry standards and sufficient to attract and maintain qualified personnel
 - Agency modernization and reorganization to facilitate efficient agency productivity
 - Agency budgets sufficient to retain qualified consulting services as necessary
- PUC and DCA effectively determining and implementing sound energy policies in the regulation of energy utilities.

Specific Forum Actions:

- (Action underway) Commission a methodical study to examine existing policies and regulations and recommend amendments to promote efficiency and renewable resource implementation (August 2006 – August 2007)
 - Examine and catalogue existing relevant policies and regulations
 - Determine which policies are and are not consistent with promoting energy efficiency and renewable resources
 - Determine what amendments or options are feasible to improve policies and regulations
 - Formulate recommendations for implementing amendments and/or options

- (Action ongoing) Monitor the implementation of recently adopted laws regarding energy utility regulation and actions to be implemented by the PUC and DCA (July 2006 – July 2008)
 - Implementation of Renewable Portfolio Standards
 - Implementation of a Public Benefits Fund and “Third Party” DSM administrator by the PUC
 - Greenhouse gas emission limits
- (Action Ongoing) Coordinate with other Forum working groups regarding matters pertaining to the PUC and DCA (July 2006 – July 2008)
- (Action Taken) Determine, evaluate and promote recommendations for legislation for the 2007 legislative session.
- (Action Ongoing) Determine, evaluate and promote recommendations for legislation for the 2008 legislative session.
- Ensure that the PUC and DCA have the necessary resources to timely and fairly address regulatory issues. (July 2006 – July 2008)
 - (Action Ongoing) Continue dialogue with the Governor’s office to emphasize the importance of sufficient staffing of these agencies
 - (Action Ongoing) Monitor the progress of agency reorganization plans and support the agencies’ plans and funding in the 2007 legislature