

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting Proceedings)
Relating to the Determination)
of the Appropriate Fees and)
Assessments to Finance the)
Administration and Operation)
Of the One Call Center.)
_____)

DOCKET NO. 05-0195

ORDER NO. 23251

Filed Feb. 9, 2007
At 11 o'clock A.M.

Karen Higashi
Chief Clerk of the Commission

RECEIVED

2007 FEB 12 A 9:09

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

Karen Higashi

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OF THE STATE OF HAWAII

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of the Appropriate Fees and)
Assessments to Finance the)
Administration and Operation)
of the One Call Center.)
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Docket No. 05-0195

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Order

By this Order, the commission establishes the methodology for a public utility to petition the commission for credit toward its Hawaii One Call Center fees ("OCC Fees") under Hawaii Revised Statutes ("HRS") §§ 269E-6(f), and 269-30(d).

I.

Background

On November 28, 2006, the commission issued Decision and Order No. 23086 in this docket setting forth the fees and assessments necessary to finance the administration and operation of the Hawaii One Call Center. Exhibit A of Decision and Order No. 23086 states, in relevant part:

Each operator, as defined in HRS § 269E-2 ("Operator"), who owns, operates, or maintains a subsurface installation in the State of Hawaii must pay a one-time registration fee of \$350.

. . .

- For the period January 1, 2007 through June 30, 2007, and for each six-month period thereafter, an Operator will be billed (via written invoice) for its portion of the One Call Center administration and operations costs, based on the percentage of tickets it receives as a portion of the total number of tickets issued by the One Call Center during the six-month period. Each Operator's percentage portion of tickets will be applied to the total cost to operate and administer the One Call Center during the preceding six-month period.
- For the period July 1, 2006 through December 31, 2006 only, Operators will be billed based on the number of tickets it receives as a portion of the total tickets issued from the One Call Center during that six-month period, and that percentage will be applied to the cost to operate and administer the One Call Center during the entire calendar year 2006.

Decision and Order No. 23086, Exhibit A.

The commission also established a billing and collection schedule in Decision and Order No. 23086, which stated that the one-time registration fee and the related billing invoices would be generated and mailed by the One Call Center to the Operator's last known address on file with the One Call Center payable to the Commission on or before January 31, 2007. According to the billing and collection schedule, ticket assessments and their related billing invoices would also be generated and mailed by the One Call Center to the Operator's last known address on file with the One Call Center within fifteen (15) days of the end of each six-month billing period payable to the commission no later than thirty (30) days after each billing date.

II.

Petition for Credit

HRS § 269E-6(f) provides that "[a]ny operator or excavator that pays public utility fees to the commission pursuant to section 269-30 may petition the commission for approval to apply a portion of its public utility fee payments as a credit toward its center fees."¹ Likewise, HRS § 269-30(d) states: "Notwithstanding any provision of this chapter to the contrary, the public utilities commission may, upon the filing of a petition by a public utility, credit a public utility for amounts paid under subsection (b) toward amounts the public utility owes in one call center fees under section 269E-6(f)."

HRS § 269-30(b) requires public utilities to pay a public utility fee equal to one-fourth of one percent of the gross income from the public utility's business during the preceding year, or the sum of \$30, whichever is greater ("PUC Fee"), in July and December of each year ("PUC Fee payments").² The PUC Fee payments are deposited into a Public Utilities Commission special fund ("PUC Special Fund")

¹HRS § 269-30(d) states: "Notwithstanding any provision of this chapter to the contrary, the public utilities commission may, upon the filing of a petition by a public utility, credit a public utility for amounts paid under subsection (b) toward amounts the public utility owes in one call center fees under section 269E-6(f)."

²HRS § 269-30(b) states: "There also shall be paid to the public utilities commission in each of the months of July and December of each year, by each public utility subject to investigation by the public utilities commission, a fee equal to one-fourth of one per cent of the gross income from the public utility's business during the preceding year, or the sum of \$30, whichever is greater. This fee shall be deposited with the director of finance to the credit of the public utilities commission special fund."

to finance the operations of the commission and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, with a percentage historically being transferred to the State's general fund.

Accordingly, pursuant to HRS §§ 269E-6(f) and 269-30(d), One Call Center operators that pay PUC Fees to the commission, pursuant to HRS § 269-30(b), may petition the commission to apply a portion of their PUC Fee payments as a credit toward their OCC Fees. As such, the commission sets forth the methodology that a public utility shall use to obtain a PUC Fee payment credit, if any, toward its OCC Fees.

As an initial matter, each public utility operator who petitions the commission for approval to apply a portion of its PUC Fee payments as a credit toward its OCC Fees shall do so by filing a letter with the commission requesting a PUC Fee credit and specifying the OCC Invoice Number and amount(s) to which it wishes to apply any awarded credit ("Petition Letter").

Upon receipt of a utility's Petition Letter, the commission will then calculate the maximum amount of the utility's PUC Fee payments available to apply to its OCC Fees. That calculation is based on the amount of monies from the PUC Special Fund that are deposited to the credit of the State general fund, as a percentage of the total annual expenditures and transfers made from the PUC Special Fund, as published yearly in the Public Utilities Commission State of Hawaii Special Fund Report ("Special Fund Report"). As noted above, PUC Fee payments are deposited in the PUC Special Fund,

and a portion of the PUC Special Fund has historically been placed in the State's general fund. As reported in the most recent Special Fund Report, dated November 2006, for fiscal year 2005-2006, the percentage of PUC Special Fund monies placed into the general fund was 45 percent.³ Thus, a public utility's maximum amount of PUC Fee payments available to apply to its OCC Fees for 2007 will be calculated as 45 percent of the utility's PUC Fee payments in 2006. The adjustment will vary from year to year as set forth in the Special Fund Report.

Utilizing the calculation for maximum PUC Fee payments, the commission will then determine whether the utility is entitled to a PUC Fee credit against its OCC Fees. If the utility's OCC Fees are greater than the credit available, then the utility will owe the difference between the OCC Fees due and the credit.⁴ If the OCC Fees are less than the credit available, then the utility will not be required to make any OCC Fees payment for the applicable OCC Fees invoice.

Although OCC invoices are mailed semi-annually, a utility may petition the commission once each year, after it receives either a January or a July OCC invoice. If a utility submits a Petition Letter in response to a January invoice and the OCC Fees are less than the credit available, then the utility will not be required to make any OCC Fees payment for the January OCC Fees invoice, and any credit remaining after applying the

³The Special Fund Report may be accessed at the commission's website at <http://www.hawaii.gov/budget/LegReports/#puc>.

⁴The utility will be notified by the commission of the amount it owes. Thereafter, it will be required to remit payment within a specified time frame.

maximum amount of PUC Fee payments available to the January OCC Fees invoice may be carried forward and applied to the invoice received in July of the same calendar year, but not to a subsequent year. For example, any excess credit for January 2007 OCC Fees may be carried forward to apply to July 2007 OCC Fees, but not to January 2008 OCC Fees. If a utility files a Petition Letter in response to a July invoice, credits may be applied only to the July invoice.

Except for the initial invoices mailed in January 2007, Petition Letters must be filed with the commission by the date when OCC fee payments are due, as noted on the OCC invoice. For the initial invoices mailed in January 2007, for both the one-time registration fee of \$350 and for ticket assessments for the period July 1, 2006 through December 31, 2006, Petition Letters must be filed with the commission within thirty (30) days from the date of this order.⁵

III.

Order

THE COMMISSION ORDERS:


The methodology for a public utility to petition the commission for credit of its PUC Fees toward its OCC Fees under HRS §§ 269E-6(f) and 269-30(d), is established. If a public utility seeks to obtain a PUC Fee credit toward its OCC Fees, it shall do so by filing a letter with the commission requesting a

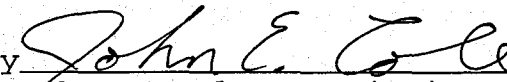
⁵OCC Fees paid by public utilities prior to receipt of the January 2007 Petition Letters will be adjusted accordingly after the deadline for January 2007 Petition Letters has passed.

PUC Fee credit and specifying the OCC Invoice Number and amount(s) to which it wishes to apply any awarded credit.

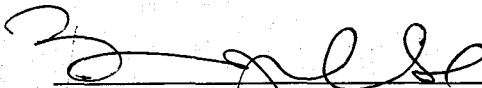
DONE at Honolulu, Hawaii FEB - 9 2007.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
John E. Cole, Commissioner

APPROVED AS TO FORM:


Benedyne S. Stone
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05-0195.cp

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 23251 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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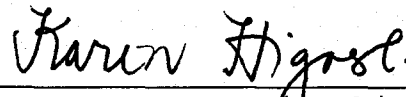
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DATED: FEB - 9 2007