

**SB 1607**

**EDT**

**TESTIMONY OF CARLITO P. CALIBOSO  
CHAIRMAN, PUBLIC UTILITIES COMMISSION  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE  
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY  
FEBRUARY 9, 2009**

**MEASURE:** S.B. No. 1607  
**TITLE:** Relating to Regulation.

Chair Fukunaga and Members of the Committee:

**DESCRIPTION:**

This bill proposes to amend chapter 269, Hawaii Revised Statutes ("HRS"), to allow the state's incumbent local carrier to modify its rates, fares, and charges without prior approval or provision of cost support information to the Public Utilities Commission ("Commission"). The bill also provides that information relating to the incumbent's rates, fares, charges or bundled service offerings shall be filed with the Commission, but only for informational purposes.

**POSITION:**

The Commission appreciates the intent of this bill, and offers the following comments for consideration.

**COMMENTS:**

- As this committee is aware, amending section 269-16, HRS, to remove rate, fare, charge, and price regulation over incumbent telecommunications services as provided by this bill, would remove rate or price controls for those services, which were originally enacted to protect consumers.
- This measure is based on the assumption and finding that such protections are no longer required to protect consumers because telephone services are competitive and such services can be obtained from alternative providers.
- The Commission defers to the Legislature's findings in this regard.

Thank you for the opportunity to testify.



**International Brotherhood of Electrical Workers**

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SB 1607  
RELATING TO REGULATION  
SCOT F. LONG  
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INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS  
LOCAL UNION 1357  
FEBRUARY 9, 2009

Chair Fukunaga and Members of the Senate Economic Development and Technology Committee:

I am Scot Long, testifying on behalf of IBEW Local Union 1357, on SB 1607, "A BILL FOR AN ACT RELATING TO REGULATION." IBEW Local Union 1357 and our 1,400 members strongly support this bill.

IBEW Local Union 1357 is proud of its role in the establishment and maintenance of our state's most critical communications infrastructure. We know first-hand that the outdated regulation mandated upon the local exchange carrier results in a very unlevel playing field where competitors have little or no regulation.

SB 1607 will allow the incumbent local exchange carrier to have some regulatory parity so that it can immediately offer products and services at

competitive prices in the same way that wireless and VoIP providers currently have the freedom to do. We are NOT asking for a handout—what we are asking for is fairness.

Thank you for the opportunity to testify.