

Bond Case Briefs

Municipal Finance Law Since 1971

PUBLIC UTILITIES - HAWAII

Matter of Gas Company, LLC

Supreme Court of Hawai'i - June 9, 2020 - P.3d - 2020 WL 3055315

Environmental organization and organization representing native Hawai'ian interests appealed Public Utilities Commission's (PUC) decision to approve gas utility rate increase allowing gas company to pass costs of two liquid natural gas projects to its customers.

The Supreme Court held that:

- Organizations were "persons aggrieved" who participated in contested rate case, and thus had standing to appeal PUC's decision;
- PUC did not fulfill its statutory obligation to consider the effect of State's reliance on fossil fuels on out-of-state greenhouse gas emissions produced by gas company's imported liquid natural gas;
- PUC did not fulfill its statutory obligation to reduce State's reliance on fossil fuels through energy efficiency and increased renewable energy generation;
- PUC violated due process rights of organizations by limiting their participation in rate case to addressing whether company's gas costs were unreasonable due to effects of company's use of imported gas on State's reliance on fossil fuels and greenhouse gas emissions and restricting organizations' input on emissions issue; and
- PUC did not abuse its discretion in adjudicating company's rate case, rather than proceeding through rule-making.