SUMMARY/CATEGORIES OF CRITICAL AREAS:

Financial Viability

- Look into grants and subsidies that incentivize water carrier to service all ports and continue to operate all lines of service
- Economic viability
- Depending on how the gap in information regarding what are services that are critical to State objectives, what are the reasonable costs associated with those services, the delta, if any, between the identified costs, and the best manner to compensate a carrier for those services

Regulatory

  - Streamline ratemaking process
  - Initiatives to assure future PUC rate increases are more timely so that the rate increases are more incremental and a one-time, catch-up increase
  - Establishment of rate designs that ensure that all shippers pay for such water carrier services based on the actual costs of such services rather than being subsidized by others; otherwise, subsidies should be addressed by government grants/funding for underserved communities and local businesses that fulfill certain State objectives (e.g., sustainability, agriculture, etc.)
  - Regulatory parity including, among other things:
    - addressing the LCL/Mix consolidation services are performed by both regulated companies (e.g., YB) at regulated rates and non- regulated freight forwarders at non-regulated rates
    - increased oversight and enforcement of shippers/consignees (e.g., freight forwarders and consumers) who may be utilizing the interstate stop in transit/storage in transit (SIT) process in violation of HRS Chapter 271G and its associated rules (e.g., loading intrastate cargo in interstate SIT containers, etc.)
  - Streamlining utility regulation by, among other things, allowing water carriers the operational flexibility when deemed necessary and eliminating or reducing expensive and time-consuming rate cases
  - COS and rate design for regulated and nonregulated customers
  - What future changes should be sought to PUC regulatory oversight of the interisland water carrier?
  - Alternatives available should a water carrier decides to terminate all services?

Operations (Includes Safety and Customer Service)

- What does the most efficient operational organization structure for a water carrier look like?
- Improve infrastructure and properly maintain equipment
- Extend and organize gates hours to provide safe working environment for employees and customers – (Operational Safety and Customer Service)
- Continue to service freight of all kinds - (Operational Safety and Customer Service)
- Extend and organize gate hours - (Operational Safety and Customer Service)
- Consistent sailing schedules - (Operational Safety and Customer Service)
- Ways to better match actual shipping demands with fixed and possibly variable route schedules
- Ideas to streamline and/or improve customer service and access to shipping schedules such as online booking/tracking systems - (Customer Service)
- Reliable freight service schedule
- Improving operational efficiencies to lower costs and improve service
- How are water carrier customers represented in the Working Group discussions?

Miscellaneous

- It is premature to ask this question (until information gaps are filled).