



UNDERSTANDING THE BASIC DIFFERENCES BETWEEN INTRASTATE VS. INTERSTATE REGULATION OF WATER CARRIERS

Young Brothers is the only intrastate water carrier for property in Hawai‘i and is regulated by the Hawai‘i Public Utilities Commission (PUC). The PUC oversees YB’s operations from our rate changes to our sailing schedule across the islands and more. Meanwhile, interstate water carriers – who bring goods from the mainland or other countries into the islands – do not face the same regulations as Young Brothers. So, how does the regulation of intrastate and interstate water carriers differ?

What is the difference between intrastate vs. interstate water carriers?	Young Brothers – Intrastate	Interstate
Who has jurisdiction over the water carriers?	<p>The Hawai‘i State Public Utilities Commission (PUC) has jurisdiction over intrastate water carriers.</p> <p>Learn more about the PUC’s responsibility here: HRS Section 271G-2</p>	<p>The Surface Transportation Board (STB) – a federal agency – has jurisdiction over interstate water carriers carrying cargo between the U.S. mainland and Alaska, Hawai‘i and U.S. Territories.</p> <p>Learn more about the STB’s responsibility here: Section 13101 of Title 49, U.S.C</p>
Do water carriers need approval to raise rates?	<p>Yes, the PUC must approve of all rate changes.</p>	<p>No, interstate carriers do not require STB approval to change rates.</p>
How can water carriers raise rates?	<p>Any rate change requires an application or tariff transmittal.</p>	<p>A rate case application or tariff transmittal to the STB is not required to change rates or rules.</p>
What is the time frame water carriers must follow to raise rates?	<p>The PUC can allow a rate change to take effect within 45 days’ notice or schedule a hearing to decide within six months.</p>	<p>Water carriers can change the rates with little to no notice. All that STB requires is that the tariff is posted online.</p>
When can a rate increase go into effect?	<p>Typically, rate changes take 6 to 11 months for review by the PUC before going into effect.</p>	<p>Rate changes are effective immediately upon updating the tariff.</p>
Are all of Young Brothers’ services regulated by the State?	<p>No. The PUC regulates YB’s transportation of intrastate cargo. However, the PUC does not regulate YB’s transportation of interstate or international cargo, charter services, and other unregulated services.</p>	