Surface Transportation Board (aka, STB)

- STB has jurisdiction over transportation by or with a water carrier in the contiguous domestic trade (i.e., INTERSTATE cargo transportation between the U.S. mainland and Alaska, Hawaii and U.S. territories (e.g., America Samoa, Puerto Rico, etc.) (49. U.S.C. Section 13521)

- No rate case application or tariff transmittal required to change rates or rules.

- STB’s primary requirement or rule for domestic water carriers is that the carrier’s applicable tariff needs to be posted online so carriers can change their rates/rules with little to no notice.
Hawaii Public Utilities Commission (aka, HPUC)

- HPUC has jurisdiction over water carriers transporting property (cargo) and/or passengers within the State of Hawaii (i.e., INTRASTATE/REGULATED cargo and passenger operations).

- As a matter of practice, any rate change requires an application.

- HPUC can allow rate change to take effect within 45 days notice, or set it for hearing to be decided no later than six months.
Exemptions from HPUC Regulation

• Interstate or International Cargo arriving into Hawaii ports not subject to oversight (HRS Section 271G-4)

• Charters (private carriage of services between islands) not subject to oversight. (HRS Section 269-1)

• Other specific exemptions as set forth under HRS Section 271G-6 (e.g., Nonprofit agricultural cooperative associations transporting their own property or property of members (HRS Section 271G-6(2)))
Primary Differences between Intrastate Water Carriers and Other Water Carriers

• Intrastate water carriers (passengers or property) need to obtain prior HPUC approval of rate changes; as interstate and other non-regulated carriers do not.

• Rate changes for intrastate water carriers normally require 6-11 months review before becoming effective (while interstate and other non-regulated carriers are usually effective immediately upon updating tariff).

• For YB, its transporting of cargo between islands are unique as certain services are regulated (i.e., intrastate cargo under Tariff 5-A) while other services are non-regulated (i.e., interstate cargo, charters, etc.).
Mahalo!

• Questions?
• Comments?
• Feedback?