

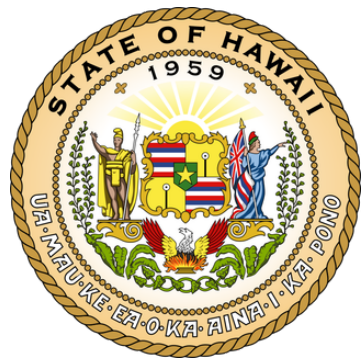
Informational Webinar
Stakeholder Engagement Process

Liability Cap Rulemaking Under Act 258

Friday, May 22, 2026

9:15 - 10:30 a.m. HT

Virtual (Zoom)



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION



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**STATE OF HAWAI'I
PUBLIC UTILITIES COMMISSION**

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Welcome & Housekeeping

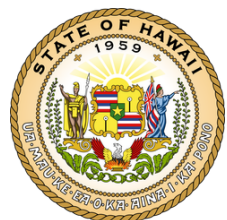
Before We Begin...

- This webinar is being recorded.
- Live captions are enabled.
- Please use the Q&A chat feature for substantive questions.
- This webinar is informational and complements the written submission process.



Need Assistance?

Contact our PUC Communications Team at puccomms@paakaicomcommunications.com.



Why the Commission is Holding This Webinar



Explain the purpose of the liability cap rulemaking.



Clarify key concepts and terminology.



Walk through how you can participate and share your mana'o.



Highlight available resources and supporting materials.

Important Reminders

- The Commission has not predetermined any final outcomes.
- This is not a hearing or adjudicative proceeding.
- Discussion today will remain future-focused and process-oriented.
- We will not address ongoing litigation or case-specific matters.



What is Act 258?

Act 258 directs the Public Utilities Commission to initiate **rulemaking related to a liability cap framework for covered catastrophic wildfires.**



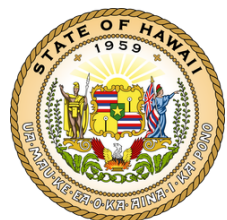
The Rulemaking **IS**:

- Future-focused and prospective.
- Part of broader wildfire resilience and recovery planning.
- Intended to gather public and stakeholder input.
- Conducted through the formal rulemaking process.



The Rulemaking **IS NOT**:

- A review of past wildfire events.
- Litigation-related.
- A final policy determination.



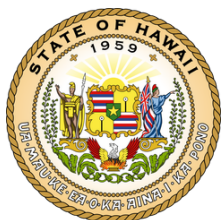
What is a Liability Cap?

A liability cap establishes a **maximum amount an electric utility may be required to pay in economic damages** from a covered catastrophic wildfire under certain conditions.



Key Concepts

- Applies only under specified circumstances.
- Intended to support resilience and long-term system stability.
- Linked to approved wildfire mitigation plans.



What a Liability Cap Does



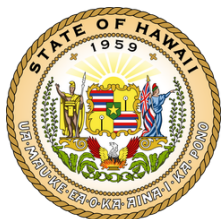
Potential Goals

- Support utility continuity after catastrophic events.
- Help maintain safe and reliable electric service.
- Support broader resilience planning discussions.
- Create greater predictability in recovery frameworks.



What It Does NOT Do

- Remove accountability.
- Automatically determine compensation outcomes.
- Replace wildfire mitigation requirements.
- Resolve all wildfire recovery issues independently.



Relationship to Potential Wildfire Recovery Fund

Related – But Distinct – Concepts

Important Note: The rulemaking does NOT establish a Wildfire Recovery Fund.

Liability Cap

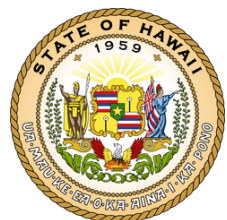
Focuses on:

- Utility financial responsibility.
- Defined financial limits under certain conditions.

Wildfire Recovery Fund

Focuses on:

- Potential compensation and recovery pathways.
- Broader recovery system considerations.



Key Topics for Public Input



Affordability and electricity rates



Legal rights and recovery considerations



Utility accountability and mitigation



Public trust and community considerations



Insurance market impacts

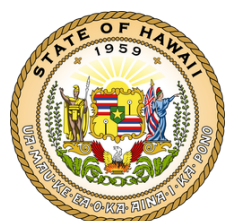


Relationship to potential recovery fund



Technical liability cap design

Your Perspective Matters



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Learn more and participate at puc.hawaii.gov



Your Voice Matters

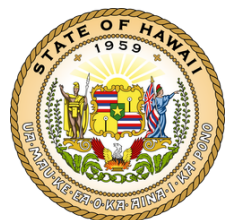


Community Perspectives Are Valuable

You do not need technical expertise to participate in this process.
The Commission welcomes:

- Organizational feedback
- Questions and concerns
- Supporting documents or materials
- Community experiences
- Lived perspectives
- Technical expertise

Participation is Flexible: You may answer as many or as few questions as you would like.



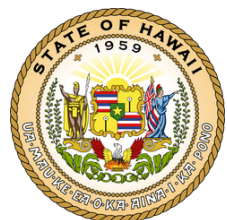
Part 1: Key Considerations on Affordability, Liability, Legal Rights & Processes, and the Insurance Market

Why this Matters: A liability cap could affect electricity costs, legal rights, and the insurance landscape in Hawai'i.

Questions to Guide Your Response:

- How should these considerations be balanced when designing a liability cap, particularly across affordability, legal rights, and impacts to the insurance market?
- Recognizing that these factors are interrelated and may at times be in tension, so please share how tradeoffs should be approached?

These considerations are intended to inform responses across both Part 1 and Part 2. Please feel free to reference them as applicable in your responses.

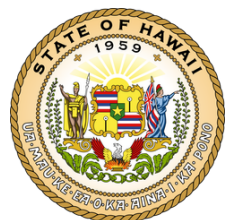


Part 2: Impacts on Requirements for Electric Utilities

Why this matters: A liability cap could influence how utilities operate, invest, and maintain safety. Building on the broader considerations above, the following focuses more specifically on how a liability cap may influence utility operations, investment decisions, and system safety.

Questions to guide your response:

- How should a liability cap ensure safe and reliable service?
- What role should wildfire prevention and mitigation play?
- What accountability measures should be included (if any)?
- How might this impact long-term investment in infrastructure or resilience?
- Anything else we should consider related to utility responsibilities?

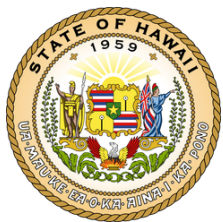


Part 3: Conditions Which Will Support the Public Interest

Why this matters: The liability cap must align with the public interest and include accountability mechanisms.

Questions to guide your response:

- What conditions should be included to ensure the public interest is protected?
- What kind of reporting should utilities provide?
- What should happen if a utility does not meet requirements?
- What else should be included to ensure accountability?

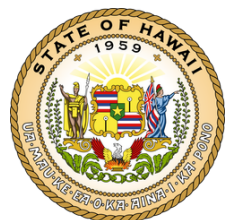


Part 4: Technical Liability Cap Design

Why this matters: This section focuses on how the liability cap should be structured in practice.

Questions to guide your response:

- Should the cap apply per wildfire event or over a period of time? Why?
- Should the cap be the same for all utilities or vary? What factors should determine this?
- How should the cap amount be set?
 - Fixed dollar amount
 - Based on utility size
 - Hybrid approach
 - Other
- Should the cap design be tied to public interest conditions? How?



Part 5: Community, Culture, and Trust

Why this matters: Public trust and lived experience are critical to shaping effective policy.

Questions to guide your response:

- How can this process better reflect community needs and values?
- If relevant, what lessons from past wildfire events should inform this process?
- What would build trust and confidence in the outcome?
- Anything else we should consider from a community perspective?

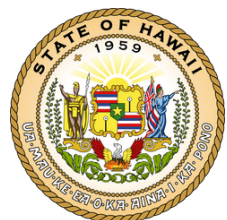


Part 6: Interaction With a Potential Wildfire Recovery Fund

Why this matters: A liability cap and a potential wildfire recovery fund are related but separate tools.

Questions to guide your response:

- How should these two tools work together?
- What role should each play?
- What risks or tradeoffs should be considered when designing both?
- Any additional thoughts on this relationship?



How to Participate

Submission Portal Opens

Friday, May 15, 2026

Step 1

Review the available materials on the PUC Liability Cap Rulemaking landing page

Step 2

Submit written input through the official portal

Step 3

Include any supporting materials, examples, or mana'o you would like the Commission to consider

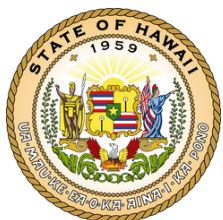
Submission Deadline

Monday, June 15, 2026

Learn More About Act 258



Submit Your Input



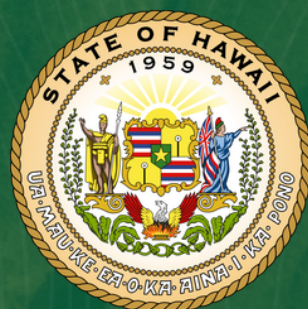
Mahalo for Joining Us

Final Reminders

- Written submissions remain the primary participation pathway during this phase of engagement.
- Webinar materials and recording will be shared following today's session.
- Please submit written input by the official deadline of **Monday, June 15, 2026**.
- Contact our PUC Communications Team at **puccomms@paakaicom munications.com** for any questions or assistance needed.

Mahalo for helping shape Hawai'i's future resilience conversations.

Learn More & Participate



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