

Honolulu, Hawaii

February 6, 2014

RE: H.B. No. 1999  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1999 entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC UTILITIES,"

begs leave to report as follows:

The purpose of this measure is to ensure that the public good is given priority in the operation of an electric utility by requiring the utility to be licensed by the Public Utilities Commission

The Sierra Club of Hawaii testified in support of this measure. Hawaiian Electric Company, Inc. testified in opposition to this measure. The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs and the Public Utilities Commission commented on this measure.

For the purpose of a public hearing on this measure, your Committee circulated Proposed H.B. 1999, H.D. 1 and notified the public that it would be accepting testimony on the proposed draft, which:

- (1) Establishes a Legislative Utility Oversight Task Force, commencing in 2014, to review franchises held by investor-owned electric utilities to ensure adequate provision of services to the public; and



- (2) Requires the Task Force to report its findings and recommendations to the Legislature every five years commencing no later than twenty days prior to the convening of the 2015 Regular Session.

Your Committee received testimony from various organizations and individuals on Proposed H.B. 1999, H.D. 1.

The Sierra Club of Hawaii and a few individuals testified in support of the Proposed Draft. Hawaiian Electric Company, Inc., and an individual testified in opposition of the Proposed Draft. The Public Utilities Commission and Division of Consumer Advocacy, Department of Commerce and Consumer Affairs commented on the Proposed Draft.

Your Committee considered the merits of both H.B. No. 1999, as received by your Committee, and Proposed H.B. 1999, H.D. 1, and upon careful consideration of the concerns raised by the Public Utilities Commission regarding the Legislative Task Force having a focused plan, adopted the Proposed Draft with the following amendments:

- (1) Changing the effective date to July 4, 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1999, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1999, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



CHRIS LEE, Chair



State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 210-14

**Record of Votes of the Committee on Energy & Environmental Protection**

Bill/Resolution No.: <b>HB1999</b>	Committee Referral: <b>EEP, CPC, FIN</b>	Date: <b>2/4/14</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)	X			
2. THIELEN, Cynthia (VC)	X			
3. CULLEN, Ty J.K.	X			
4. EVANS, Cindy	X			
5. HANOHANO, Faye P.				X
6. KAWAKAMI, Derek S.K.	X			
7. SAY, Calvin K.Y.		X		
8. NISHIMOTO, Scott Y.	X			
9. LOWEN, Nicole E.	X			
10. FALE, Richard Lee			X	
<b>TOTAL (10)</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 8pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Cynthia Thielen</i></u>				
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