
A BILL FOR AN ACT

RELATING TO ENERGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's economy is
2 dangerously dependent on the volatile prices of imported fossil
3 fuels. In order to provide security and stability for our local
4 economy, we must end our reliance on imported fuels and decrease
5 energy costs in the long-term.

6 The legislature further finds that while Hawaii's energy
7 sector is changing rapidly, utilities need to make more progress
8 toward ensuring the long-term public benefit of these changes
9 and must be prepared to adapt to changing technology and a
10 decentralized energy market. While for-profit utilities divert
11 significant amounts of money from ratepayers to shareholders and
12 tend to resist change that could reduce their customer base,
13 public utilities are tasked only with looking out for the
14 interest of the ratepayers they serve.

15 The purpose of this Act is to authorize and fund a study to
16 compare the pros and cons of Hawaii's current for-profit utility
17 models with public utility models.



1 SECTION 2. The legislative reference bureau shall conduct
2 a study that:

3 (1) Identifies different public utility models utilized
4 across the United States. The study shall assess the
5 public utility models identified, compare them with
6 Hawaii's current for-profit utility model, and make
7 projections of those models' application in or
8 throughout Hawaii, based on their metrics. The
9 criteria to be compared shall include:

- 10 (A) Operating and rate costs to taxpayers or
11 ratepayers;
- 12 (B) Incentives to achieve renewable energy goals; and
- 13 (C) Resistance to changing business models to adapt
14 to the growth and decline in cost of distributed
15 energy technology; and

16 (2) Identifies former for-profit utilities that have
17 converted to different business models, including
18 public ownership, cooperative ownership, or other
19 models, and assesses their conversion processes.



H.B. NO. 1504

1 The legislative reference bureau shall submit a report of
2 its findings to the legislature not later than November 30,
3 2015.

4 SECTION 3. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so much
6 thereof as may be necessary for fiscal year 2015-2016 to perform
7 a public utility model study pursuant to section 2 of this Act.

8 The sum appropriated shall be expended by the legislative
9 reference bureau for the purposes of this Act.

10 SECTION 4. This Act shall take effect on July 1, 2015.

11

INTRODUCED BY: _____



JAN 29 2015



H.B. NO. 1504

Report Title:

Public Utilities; Study; Comparison

Description:

Requires the legislative reference bureau to analyze different public utility models followed in the United States and compare them with the utility model followed in Hawaii. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

