

Honolulu, Hawaii

APR 07 2015

RE: H.B. No. 1286
H.D. 2
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 1286, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the following as added or amended Hawaii State Plan objectives and policies relating to state energy facility systems:

- (1) Reduction and elimination of the State's dependence on imported fuels for electrical generation and ground transportation to facilitate energy objectives for increased energy security and self-sufficiency;
- (2) Diversification of energy generation;
- (3) Consideration of utility models that prioritize the social and financial interests of the State's utility customers;
- (4) Increased energy efficiency and decreased energy use in public infrastructure; and
- (5) Ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and do not impede the development of renewable energy sources.



Your Committee received testimony in support of this measure from the Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, Blue Planet Foundation, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaiian Electric Company, Inc.

Your Committee finds that a stronger local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. This measure updates the energy objectives and policies relating to state energy facility systems, which will benefit Hawaii's economy by ensuring that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry, thereby furthering the State's goals of energy security, self-sufficiency, and sustainability.

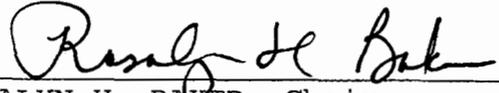
Your Committee has amended this measure by:

- (1) Inserting a definition of "petroleum";
- (2) Amending one of the state policies relating to energy facilities to ensure that liquefied natural gas is used only as a cost-effective transitional, limited-term replacement of petroleum for electricity generation and does not impede the development and use of other cost-effective renewable energy sources;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1286, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1286, H.D. 2, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,

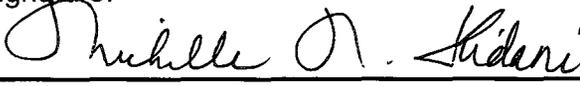


ROSALYN H. BAKER, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
HB 1286 HD2 SD1	ENE/WTL, CPN	4-1-15
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
	Nay	Excused
BAKER, Rosalyn H. (C)	✓	
TANIGUCHI, Brian T. (VC)		✓
KAHELE, Gilbert	✓	
KIDANI, Michelle N.	✓	
NISHIHARA, Clarence K.	✓	
WAKAI, Glenn	✓	
SLOM, Sam		✓
TOTAL	5	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

*Only one measure per Record of Votes