

STAND. COM. REP. NO. 1229

Honolulu, Hawaii

March 27, 2015

RE: S.B. No. 1214

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 1214 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HAWAIIAN ELECTRIC COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED, AND HAWAII ELECTRIC LIGHT COMPANY, INC.,"

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Budget and Finance to issue up to \$800,000,000 in special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Hawaii Electric Light Company, Inc.; and Maui Electric Company, Limited, to continue multi-project capital improvement programs.

The Hawaiian Electric Company, Inc.; Hawaii Electric Light Company, Inc.; Maui Electric Company, Limited; and Land Use Research Foundation of Hawaii supported the measure. A concerned individual testified in opposition. The Department of Budget and Finance submitted comments.

Your Committee has amended the measure by:

- (1) Deleting the amounts of the special purpose revenue bonds to be authorized;
- (2) Deleting the lapsing date of the authorization period for the special purpose revenue bonds;

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- (3) Requiring that electric utilities, in order to be eligible to receive special purpose revenue bonds, unbundle customer rates and charges in a manner approved by the Public Utilities Commission, including filing an application with the Public Utilities Commission by July 1, 2016, for this purpose;
- (4) Specifying the requirements for unbundled customer bills; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate this measure further, your Committee respectfully requests that it consider authorizing the issuance of \$320,000,000 in special purpose revenue bonds over two years, instead of \$800,000,000 in special purpose revenue bonds over five years.

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 S.B. No. 1214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1214, H.D. 1, and be referred to the Committee on Finance.

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



CHRIS LEE, Chair



