

Honolulu, Hawaii

February 19, 2016

RE: H.B. No. 2081

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2081 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to authorize public agencies to initiate public purpose projects through which a public utility would purchase fuel or electricity.

A concerned individual supported this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and Life of the Land opposed the measure. The Public Utilities Commission and a concerned individual submitted comments.

Your Committee has amended this measure by:

- (1) Deleting provisions that would have required the public agency to submit a petition for approval and implementation of the public purpose project to the Public Utilities Commission and established related procedures;
- (2) Instead requiring the Public Utilities Commission to establish by January 1, 2017, a simplified regulatory process and procurement mechanism:



- (A) For the Commission's review and approval of public purpose projects proposed by public agencies; and
- (B) To direct public utilities to procure electricity or fuel from approved projects at a rate authorized by the Public Utilities Commission;
- (3) Deleting provisions that would have specified how the public agency and public utility must implement the public purpose project; and
- (4) Changing its effective date to January 1, 2045, to facilitate further discussion.

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. 2081, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2081, H.D. 1, and be referred to your 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-eighth Legislature

HSCR 656-16

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2081	Committee Referral: EEP, CPC	Date: 2-9-16		
<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)	/			
2. LOWEN, Nicole E. (VC)	/			
3. CULLEN, Ty J.K.	/			
4. EVANS, Cindy	/			
5. ING, Kaniela	/			
6. NISHIMOTO, Scott Y.	/			
7. SAY, Calvin K.Y.		/		
8. YAMANE, Ryan I.	/			
9. POUHA, Feki	/			
10. THIELEN, Cynthia	/			
TOTAL (10)	9	1	∅	∅
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: 0.8em;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Nicole E. Lowen</i></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				