

Honolulu, Hawaii

February 19, 2016

RE: H.B. No. 2566

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. 2566 entitled:

"A BILL FOR AN ACT RELATING TO ELECTRICITY,"

begs leave to report as follows:

The purpose of this measure is to protect the public interest by providing the Public Utilities Commission (PUC) with additional guidelines to consider when making critical fossil fuel and renewable energy ratemaking decisions, including specifying a methodology that explicitly takes into account the objective of reducing the risks of the State's exposure to fossil fuels.

Ulupono Initiative, Hawaii Solar Energy Association, Blue Planet Foundation, and an individual testified in support of this measure. Hawaiian Electric Company, Maui Electric Company, and Hawaii Electric Light Company opposed this measure. The Department of Commerce and Consumer Affairs Division of Consumer Advocacy commented on this measure.

Your Committee has amended this measure by specifying that the methodology used by the PUC, in determining a just and reasonable rate payable by the public utility to a producer for nonfossil fuel generated electricity supplied to the public utility, shall consider the objective of reducing the risks of the State's exposure to fossil fuels in the context of all other potential ratemaking criteria. Technical, nonsubstantive amendments were also made 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. 2566, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2566, 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 655-16

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2566	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	0	0
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: 10pt;">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				