

STAND. COM. REP. NO.

242

Honolulu, Hawaii

February 13, 2017

RE: H.B. No. 1283  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1283 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to ensure that electric utility rates are fair and reasonable by requiring the Public Utilities Commission to establish by January 1, 2020, performance incentive mechanisms and penalty mechanisms that directly tie electric utility revenues to the utility's achievement on performance metrics.

The Blue Planet Foundation, Life of the Land, Distributed Energy Resources Council, Sierra Club of Hawaii, Hawaii Solar Energy Association, and many individuals supported this measure. The Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company opposed this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Alliance for Solar Choice provided comments.

Your Committee has amended this measure by requiring the Public Utilities Commission to consider fair compensation for utility employees in its review of electric utility performance when developing performance incentive and penalty mechanisms.

HB1283 HD1 HSCR EEP HMS 2017-1880



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. 1283, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1283, 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,



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CHRIS LEE, Chair



State of Hawaii  
House of Representatives  
The Twenty-ninth Legislature

HSCR 242

**Record of Votes of the Committee on Energy & Environmental Protection**

Bill/Resolution No.: <b>HB 1283</b>	Committee Referral: <b>EEP, CPC</b>	Date: <b>2/7/17</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <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. ICHIYAMA, Linda	/			
6. KONG, Sam Satoru			✓	
7. SAY, Calvin K.Y.	/			
8. YAMANE, Ryan I.	/			
9. FUKUMOTO, Beth	/			
<b>TOTAL (9)</b>	<b>8</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>The recommendation is:</b> <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>				
<b>Vice Chair's or designee's signature:</b> <u>Nicole E. Lowen</u>				
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