

STAND. COM. REP. NO. 68

Honolulu, Hawaii

FEB 09 , 2021

RE: H.B. No. 1143
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1143 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the definition of "renewable portfolio standard" for electric utility companies to be a percentage of electrical energy generation, rather than sales;
- (2) Define a renewable portfolio standard for gas utility companies; and
- (3) Require gas utility companies to establish renewable energy portfolio standards and provide a means for gas utility companies to achieve the renewable energy portfolio standards.

Your Committee received testimony in support of this measure from the Climate Protectors Coalition, Ulupono Initiative, Our Revolution Hawaii, 350Hawaii, Blue Planet Foundation, The Coalition for Renewable Natural Gas, and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Bioeconomy Trade Organization. Your Committee received

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comments on this measure from the Department of Commerce and Consumer Affairs; Hawaii State Energy Office; Public Utilities Commission; Chamber of Commerce Hawaii; Hawaiian Electric Company, Inc.; Hawai'i Gas; and Sierra Club of Hawai'i.

Your Committee finds that it is important that all relevant entities are aligned in the goal of achieving one hundred percent renewable energy. Requiring electric utilities, but not gas utilities, to increase their reliance on renewable energy creates an unfair playing field that may unintentionally harm consumers by promoting suboptimal long-lived investments in fossil fuels through gas-fired distributed electrical generation. This measure addresses this issue by exploring the implementation of establishing renewable portfolio standards for gas utilities as the State progresses toward its renewable energy goals.

Your Committee has amended this measure by:

- (1) Deleting provisions that defined a renewable portfolio standard for gas utility companies and would have required gas utility companies to establish renewable energy portfolio standards;
- (2) Inserting language that establishes an unspecified renewable portfolio standard goal for gas utility companies by December 31, 2025;
- (3) Inserting language that directs the Public Utilities Commission to open a formal proceeding to examine questions surrounding the establishment of a gas renewable portfolio standard;
- (4) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of 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. 1143, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B.



No. 1143, 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,


NICOLE E. LOWEN, Chair



State of Hawaii
House of Representatives
The Thirty-first Legislature

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Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 1143	Committee Referral: EEP, CPC, FIN	Date: 2/4/21		
<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. LOWEN, Nicole E. (C)	/			
2. MARTEN, Lisa (VC)	/			
3. HASHEM, Mark J.	/			
4. MATAYOSHI, Scot Z.	/			
5. PERRUSO, Amy A.	/			
6. TODD, Chris	/			
7. TOKIOKA, James Kunane				/
8. MATSUMOTO, Lauren	/			
TOTAL (8)	7	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <u>Lisa Marten</u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				