

Honolulu, Hawaii

**March 3**, 2006

RE: H.B. No. 2619

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2619 entitled:

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

begs leave to report as follows:

The purpose of this bill is to protect consumers by requiring that any electric utility ratemaking structure developed by the Public Utilities Commission (PUC) pursuant to the renewable portfolio standards study is consistent with established public utility ratemaking principles. Specifically, this bill:

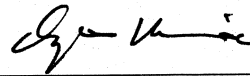
- (1) Deletes the requirement that the ratemaking structure developed by PUC will ensure that electric utility profit margins do not decrease; and
- (2) Replaces it with the requirement that the ratemaking structure will afford these companies an opportunity to earn a fair rate of return.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, PUC, Honolulu Seawater Air Conditioning, LLC, Sierra Club, Hawaii Chapter, Hawaiian Electric Company, Inc., Hawaii Energy Policy Forum, Rocky Mountain Institute, and PowerLight Corporation testified in support of this bill. The Department of Business, Economic Development, and Tourism supported the intent of this measure.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2619 and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,




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DWIGHT TAKAMINE, Chair



Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 2619		Date: 2.28.06		
Committee Referral: EEP, CPC, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKAMINE, Dwight Y. (C)	✓			
2. KAWAKAMI, Bertha C. (VC)	✓			
3. CARROLL, Mele	✓			
4. CHONG, Pono	✓			
5. EVANS, Cindy	✓			
6. LEE, Marilyn B.	✓			
7. MAGAOAY, Michael Y.	✓			
8. NAKASONE, Bob	✓			
9. NISHIMOTO, Scott Y.	✓			
10. TANAKA, Kameo	✓			
11. TSUJI, Clift	✓			
12. WAKAI, Glenn	✓			
13. YAMANE, Ryan I.	✓			
14. YAMASHITA, Kyle T.	✓			
15. MEYER, Colleen Rose				✓
16. MOSES, Mark S.	✓			
17. PINE, Kymberly	✓			
18. STEVENS, Anne V.				✓
TOTAL	16			2
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:				
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