

Honolulu, Hawaii

Feb 17, 2006

RE: H.B. No. 3053

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

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 3053 entitled:

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

begs leave to report as follows:

The purpose of this bill is to give the Public Utilities  
Commission (PUC) additional flexibility in implementing a rate-  
making structure that encourages electric utilities to use cost-  
effective renewable resources to meet the renewable portfolio  
standards, by:

- (1) Requiring that at least 50 percent of the renewable  
portfolio standards is to be met by "standard" renewable  
resources, such as wind, solar, and waste to energy; and
- (2) Allowing PUC to prescribe what portion of the remainder  
of the standards is to be met by specific types of  
renewable resources.

This bill also redefines "renewable energy" to distinguish between  
standard renewable resources and energy efficiency resources such  
as seawater air-conditioning district cooling systems.

PUC, Hawaiian Electric Company, Maui Electric Company, Hawaii  
Electric Light Company, Hawaii Renewable Energy Alliance, and  
Rocky Mountain Institute supported this bill. The Department of  
Business, Economic Development, and Tourism and Sierra Club,  
Hawaii Chapter, supported the intent of this measure. Life of the



Land and Honolulu Seawater Air Conditioning, LLC, opposed this bill. The Consumer Advocate and the Hawaii Energy Policy Forum commented.

Your Committee recognizes that there is a debate on the advisability of defining "renewable energy" to include or exclude energy efficiency resources such as seawater air conditioning, which reduces the use of fossil fuels through efficiency with a corresponding reduction in electricity sales. Your Committee believes that this issue should be further examined as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3053 and recommends that it be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



