

Honolulu, Hawaii

April 5, 2006

RE: H.C.R. No. 195

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

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.C.R. No. 195 entitled:

"HOUSE CONCURRENT RESOLUTION ENCOURAGING HAWAII'S LANDOWNERS, INVESTORS, COUNTY GOVERNMENTS, AND REGULATED ELECTRIC UTILITIES TO PURSUE DEVELOPMENT AND CONVERSION OF FUEL CROPS FOR ELECTRICITY GENERATION, AND REQUESTING THE HAWAII ENERGY POLICY FORUM TO MAKE RECOMMENDATIONS,"

begs leave to report as follows:

The purpose of this measure is to promote the use of alternative energy resources in Hawaii by:

- (1) Encouraging Hawaii's landowners, investors, county governments, and regulated electric utilities to pursue the development of fuel crops and the conversion of fuel crops to generate electricity; and
- (2) Requesting the Hawaii Energy Policy Forum to submit a report to the Legislature with recommendations regarding various factors associated with the development of fuel crops and conversion of fuel crops to generate electricity.

The Consumer Advocate, Office of Hawaiian Affairs, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, the Hawaii Energy Policy Forum, and the Hawaii Agriculture Research Center submitted testimony in support of this



measure. Alexander & Baldwin, Inc. supported the intent of this measure. The Department of Agriculture offered comments.

Your Committee notes that the State of Hawaii relies on imported oil for more than eighty-nine per cent of its primary energy. Furthermore, Hawaii residents continue to pay the highest electricity rates in the nation.

Your Committee finds that fuel crops, or biomass, can be used to create alternative fuels, such as ethanol and methanol, which can reduce Hawaii's dependence on fossil fuels and may ultimately make electric generation and fuels less expensive for Hawaii consumers.

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 concurs with the intent and purpose of H.C.R. No. 195 and recommends its adoption.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,


for HERMINA MORITA, Chair



