

Honolulu, Hawaii

FOB 17

RE: S.B. No. 3185  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Energy, Environment, and International  
Affairs, to which was referred S.B. No. 3185 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to establish statewide energy  
efficiency utility and energy efficiency portfolio standards.

The Rocky Mountain Institute, the Conservation Council for  
Hawaii, Honolulu Seawater Air Conditioning LLC, and the Sierra  
Club Hawaii Chapter, and Life of the Land submitted testimony in  
support of this measure. Hawaii Solar Energy Association and  
Hawaii Electric Company submitted testimony in opposition to the  
measure. The Department of Business, Economic Development and  
Tourism, the Department of Commerce and Consumer Affairs, the  
Public Utilities Commission, and Hawaii Renewable Energy Alliance  
submitted comments.

Your Committee finds that energy efficiency is one of the  
most critical components in helping end Hawaii's addition to oil.  
An energy efficient utility is an entity that provides a  
comprehensive and consistent set of energy efficiency programs to  
electric consumers. This measure would significantly improve the  
energy efficiency programs delivered by individual electrical  
utilities operating in the State.




Upon further consideration, your Committee has amended this measure by:

- (1) Adding four new sections that authorize a surcharge for a public benefits fund, authorize a fund administrator for the fund, enumerate the requirements for the fund administrator, and require the public utilities commission to develop a transition plan from utility demand-side management programs to the public benefits fund;
- (2) Increasing the time by which the energy efficiency utility shall achieve certain statewide energy efficiency portfolio standards;
- (3) Deleting the definitions of indigenous watts, load ratio, load ratio standard, maximum demand, minimum demand, negative watts, positive watts, and total demand;
- (4) Further amending the definition of cost-effective;
- (5) Including agricultural residues, animal byproducts, and waste cooking oils or greases, and making other changes, to the definition of renewable energy;
- (6) Adding a penalty provision to the renewable portfolio standards section;
- (7) Amending 269-27.2(c), Hawaii Revised Statutes, to provide for a methodology to establish what the fifteen and twenty-year fixed price for renewable energy power or renewable fuel for power production shall be; and
- (8) Making technical, non-substantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Energy, Environment, and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3185, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3185, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Housing.




Respectfully submitted on  
behalf of the members of the  
Committee on Energy,  
Environment, and International  
Affairs,

  
\_\_\_\_\_  
J. KALANI ENGLISH, Chair



The Senate  
Twenty-Third Legislature  
State of Hawaii

Record of Votes of the  
Committee on Energy, Environment and International Affairs  
(Bills and Resolutions)

Measure:*	Committee Referral:	Date:
SB 3185	EIA, CPH	February 16, 2006
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is to:		
<input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)		
Members	Ayes	Ayes(WR)
Nays	Excused	
ENGLISH, J. Kalani (C)	/	
KOKUBUN, Russell S. (VC)	/	
HANABUSA, Colleen		/
HOOSER, Gary L.	/	
HEMMINGS, Fred	/	
TOTAL	4	1
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

\*Do not list more than one measure per Record of Votes.