

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1003
H.D. 3
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Energy and Environment and Education, to which was referred H.B. No. 1003, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose of this measure is to facilitate the growth of the alternative fuel industry in the State by:

- (1) Statutorily establishing the Hawaii Natural Energy Institute of the University of Hawaii at Manoa (Institute) and a funding mechanism for the development of renewable energy and end-use energy-efficient technologies, including those that ameliorate peak demand problems;
- (2) Establishing the Hawaii Biofuels Program within the Department of Business, Economic Development, and Tourism to manage the State's transition to energy self-sufficiency; and
- (3) Requiring the Department of Business, Economic Development, and Tourism to develop and prepare a bioenergy master plan.

Your Committees received testimony in support of this measure from Hawaiian Electric Company, Inc.; Hawaii Energy Policy Forum; Honolulu Seawater Air Conditioning, LLC; and ClearFuels



Technology, Inc. The Hawaii Natural Energy Institute of the University of Hawaii at Manoa; the Hawaii Renewable Energy Alliance; and the Department of Business, Economic Development, and Tourism submitted testimony in support of this measure with comments. The Department of Health submitted testimony in opposition to a fiscal component of this measure. Your Committees received testimony in opposition to this measure from nine individuals. Life of the Land and one individual submitted comments.

Your Committees find that Hawaii's future environmental health and economic success depends on its implementation of renewable energy technologies. Your Committees believe that this measure will significantly stimulate the development of a renewable energy industry in Hawaii by optimally integrating renewable energy technologies and end-use energy efficiency technologies.

Your Committees have amended this measure by:

- (1) Clarifying that the Department of Business, Economic Development, and Tourism shall consult with representatives of the diverse stakeholder interests in developing the bioenergy master plan; and
- (2) Requiring the Department of Business, Economic Development, and Tourism to appoint the two-person panel of independent energy and environmental technical experts to study and report on the efficacy of the Energy Systems Development Special Fund's projects and activities.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1003, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1003, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Energy and
Environment and Education,

Norman Sakamoto

NORMAN SAKAMOTO, Chair

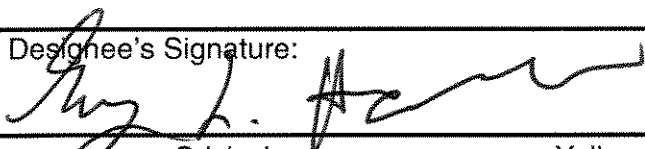
Ron Menor

RON MENOR, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* HB 1003 HD3	Committee Referral: ENE/EDU, WAM	Date: 3/22/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <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	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	✓			
HOOSER, Gary L. (VC)	✓			
IHARA, Jr., Les				✓
KOKUBUN, Russell S.				✓
TRIMBLE, Gordon		✓		
TOTAL	2	1		2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes

