

Honolulu, Hawaii

**Apr: 123**, 2008

RE: H.B. No. 2810  
H.D. 1  
S.D. 1  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2810, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WATER RATES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to ensure that farmers operating in remote areas of the state are provided with affordable access to water by:

- (1) Requiring a public utility, upon receipt of a bona fide request for preferential rates for potable water used for agricultural activities and proof that the customer engages in agricultural activities, to provide preferential rates for potable water to be used only for agricultural activities; and



- (2) Allowing the preferential rates to be subsidized by the water rates charged to other customers of the public utility.

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

- (1) Specifying that the public utility provide proposed preferential rates for potable water to be used only for qualified agricultural activities to the Public Utilities Commission (PUC) for approval;
- (2) Requiring preferential rates approved by the PUC to be subsidized by the potable water rates charged to other customers of the public utility if required as determined by the PUC;
- (3) Allowing the PUC, in consultation with the Department of Agriculture, to establish additional criteria for qualification of bona fide agribusinesses for water used solely for agricultural activities;
- (4) Requiring the PUC to allow the recovery of any reasonable unamortized costs incurred by the public utility in its previous rate case, provided that upon full amortization of the costs, rates shall be adjusted accordingly; and
- (5) Making it effective upon its approval.

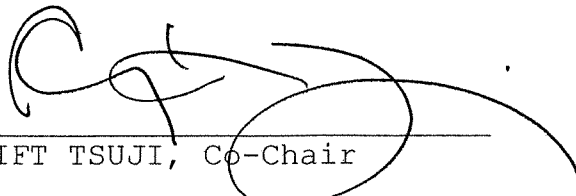
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2810, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2810, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

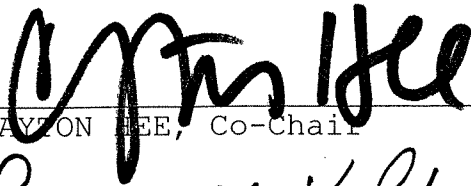
ON THE PART OF THE SENATE

  
\_\_\_\_\_  
JILL TOKUDA, Chair

ON THE PART OF THE HOUSE

  
\_\_\_\_\_  
CLIFT TSUJI, Co-Chair



  
CLAYTON LEE, Co-Chair

  
KEN ITO, Co-Chair

  
RUSSELL S. KOKUBUN, Co-Chair

  
ROBERT N. HERKES, Co-Chair



**Record of Votes of a  
Conference Committee**

Bill / Concurrent Resolution No.: HB 2810, HD 1, SD 1	Date/Time: April 18, 2008 2:15pm
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
TOKUDA, Jill N., Chr.	✓				TSUJI, Clift, Co-Chr.	✓			
HEE, Clayton, Co-Chr.	✓				ITO, Ken, Co-Chr.	✓			
KOKUBUN, Russell S., Co-Chr.				✓	HERKES, Robert N., Co-Chr.	✓			
SLOM, Sam	✓				MARUMOTO, Barbara C.	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**      **Original**      **Yellow**      **Pink**      **Goldenrod**  
 File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency