

Honolulu, Hawaii  
A-04 , 2008

RE: S.B. No. 3001  
S.D. 2  
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 3001, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to clarify the law relating to the administration of funds collected from electric utility customers to support energy-efficiency and demand-side management programs and services. Among other things, this bill clarifies:

- (1) That public benefits fees collected to support these programs and services are not to be considered state or public moneys subject to appropriation by the Legislature or to be required to be deposited into the state treasury;
- (2) That the State may participate in these programs and services on the same basis as any other electric customer; and
- (3) The Public Utilities Commission's (PUC) ability to contract with a Public Benefits Fee Administrator (Administrator).

The Department of Business, Economic Development, and Tourism, Hawaii Electric Company, Inc., Maui Electric Company,

SB3001 HD2 HSCR FIN HMS 2008-3635



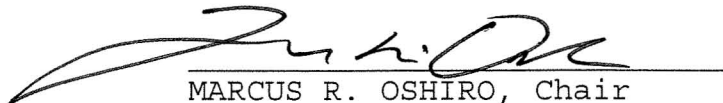
Ltd., Hawaii Electric Light Company, Hawaii Energy Policy Forum, and the Hawaii Solar Energy Association supported this bill. PUC and the Consumer Advocate submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the provision allowing PUC to determine the terms and conditions of the contract with the Administrator;
- (2) Exempting the contract to purchase third-party administrative services from the requirements of the Procurement Code, provided that all moneys transferred to the Administrator shall be comprised solely of public benefit fees;
- (3) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3001, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3001, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



