

STAND. COM. REP. NO. 1229

Honolulu, Hawaii

March 16, 2007

RE: S.B. No. 988  
S.D. 2  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which  
was referred S.B. No. 988, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish a photovoltaic  
rebate program to all grid-connected residential, community-  
center, and small business utility customers.

Your Committee received testimony in support of this measure  
from the Public Utilities Commission, Hawaii Energy Policy Forum,  
Hawaii Solar Energy Association, Provision Technologies, Inc., Sun  
Edison LLC, Plum Hall, Inc., Hawaii PV Coalition, Rising Sun Solar  
Electric, Creative Commons, Sopogy, Inc., Zero Emissions Leasing,  
LLC, Island Energy Solutions, Inc., Sierra Club, and five  
concerned individuals. Comments were submitted by the Division of  
Consumer Advocacy, Hawaiian Electric Company, the Kauai Island  
Utility Cooperative, University of Hawaii Environmental Center,  
and Hawaii Renewable Energy Alliance.

Your Committee finds that the subsidization of the  
installation of photovoltaic systems through a rebate program  
funded through the general fund may be an unfair burden placed on  
Hawaii's taxpayers.



Your Committee further finds that it is more appropriate that such a rebate program be carefully assessed by the Public Utilities Commission to ensure that the utility and ratepayer will benefit by the policies and rates established by rule or order after a thorough investigation of a rebate program.

Accordingly, your Committee has amended this measure by:

- (1) Requiring an assessment by the Public Utilities Commission before a photovoltaic rebate program may be offered;
- (2) Granting the Public Utilities Commission discretion to establish the rebate program, rather than requiring such establishment;
- (3) Deleting language specifying the rebate rates for the rebate program;
- (4) Specifying that participants in the rebate program will not be eligible for a renewable energy technologies income tax credit;
- (5) Deleting the appropriation section and renumbering remaining sections accordingly; and
- (6) Changing the repeal date of the measure to June 30, 2013.

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 is in accord with the intent and purpose of S.B. No. 988, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 988, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.



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



HERMINA MORITA, Chair



