

STAND. COM. REP. NO. **3459**

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 2505  
H.D. 2  
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2505, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to streamline the permitting and approval process for renewable energy projects in the State.

Specifically, this measure establishes a full-time, permanent renewable energy facilitator position in the Department of Business, Economic Development, and Tourism, and appropriates moneys.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; Hawaii Energy Policy Forum; and Castle and Cooke Hawaii.

Your Committee recognizes the importance of increasing Hawaii's energy self-sufficiency and achieving the State's energy goals of energy independence, greater energy security, and reduced greenhouse gas emissions. Your Committee finds that a renewable energy facilitator would be able to help streamline the permitting process to allow greater development of renewable energy resources in the State. In addition, your Committee acknowledges the importance of providing adequate funding to carry out Hawaii's long-term energy strategy and believes that additional sources of



revenue must be developed to replace dwindling federal funds and continue the State's energy program.

In addition, your Committee finds that the renewable energy facilitator should have a certain amount of operational authority over the renewable energy facility siting process. Your Committee believes that the efficiency of this process is central to streamlining the implementation of renewable energy projects in the State.

Accordingly, your Committee has amended this measure by:

- (1) Establishing a permanent renewable energy facilitator position, exempt from chapter 76, within the Department of Business, Economic Development, and Tourism, and placing the mandate for this position in chapter 201, Hawaii Revised Statutes;
- (2) Including general qualifications for the position of renewable energy facilitator;
- (3) Directing the renewable energy facilitator to administer the day-to-day coordination of renewable energy projects on behalf of the Department and the day-to-day operations of the renewable energy facility siting process that is proposed in H.B. No. 2863, which is being recommended for passage on Third Reading by your Committees on Commerce, Consumer Protection and Affordable Housing and Ways and Means;
- (4) Requiring the renewable energy facilitator to submit periodic reports to the Legislature on renewable energy facilitation activities and the progress of the renewable energy facility siting process;
- (5) Funding the renewable energy facilitator position from the energy security special fund created in this measure;
- (6) Replacing the amount of the \$112,940 appropriated for the renewable energy facilitator position with an unspecified amount;
- (7) Inserting the contents of House Bill No. 3444, H.D. 2, S.D. 1, which provides additional funding for energy



initiatives through the environmental response and energy security tax and energy security special fund, into part II of this measure, and further amending these provisions by:

- (A) Increasing the environmental response and energy security tax to fifteen cents per barrel of petroleum, with five cents of the tax per barrel being distributed to the environmental response revolving fund, seven cents of the tax per barrel being distributed to the energy security special fund, and three cents per barrel of the tax being distributed to the energy systems development special fund;
- (B) Deleting the reference in section 343-3.5(b)(1) to an unspecified amount of the per barrel tax to be used to address concerns related to drinking water;
- (C) Establishing the energy security special fund in chapter 201, Hawaii Revised Statutes;
- (D) Funding the energy security special fund, in part, with fees generated from the renewable energy facility siting process;
- (E) Including, among the uses of the energy security special fund, funding of the renewable energy facilitator position and support of the renewable energy facility siting process that is proposed in H.B. No. 2863, which is being recommended for passage on Third Reading by your Committees on Commerce, Consumer Protection and Affordable Housing and Ways and Means; and
- (F) Changing the source of the appropriation in section 3 of the measure from the general fund to the environmental response revolving fund, and specifying that this appropriation is for the purpose of providing initial funding for the renewable energy facilitator position until adequate revenue from the environmental response and energy security tax is deposited into the energy security special fund; and



- (8) Changing the effective date of this measure to July 1, 2050, to encourage further discussion on these issues; and
- (9) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2505, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2505, H.D. 2, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



