

STAND. COM. REP. NO.

472

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 988  
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 Commerce,  
Consumer Protection, and Affordable Housing, to which was referred  
S.B. No. 988 entitled:

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

beg leave to report as follows:

The purpose of this measure is to reduce greenhouse gas  
emissions and raise public awareness of renewable energy.

Specifically, this measure establishes a photovoltaic rebate  
program to all grid-connected residential, community-center, and  
small business utility customers within electric utility service  
areas.

Testimony in support of this measure was submitted by DC  
Power Systems; Hawaii PV Coalition; Hawaii Solar Energy  
Association; Island Energy Solutions Inc.; ProVition Technologies,  
Inc.; Rising Sun Solar Electric; Sopogy, Inc.; SunEdison, LLC; The  
Vote Solar Initiative; and seven individuals. The Department of  
Commerce and Consumer Affairs, Division of Consumer Advocacy;  
Public Utilities Commission; and Hawaii renewable Energy Alliance  
submitted testimony supporting the intent of this measure.  
Testimony in opposition to this measure was submitted by Hawaiian  
Electric Company, Hawaii Electric Light Company, and Maui Electric  
Company.

Your Committees find that to ensure the preservation and  
protection of our environment and natural resources, it is

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necessary to foster a more widespread use of sustainable energy resources and energy efficient technology and products. One type of renewable energy that should be used more widely is photovoltaic energy. However, the initial cost of installing photovoltaic energy systems is high.

Your Committees further find that a rebate program will lower the cost and encourage home and business owners to invest in this form of renewable energy.

It is the intent of your Committees to provide certainty to the marketplace by providing additional funds in subsequent fiscal biennia.

This measure was amended to:

- (1) Designate an appropriation in the amount of \$10,000,000 for each year of the 2007-2009 fiscal biennium;
- (2) Delete the requirement that the contractor installing photovoltaic energy systems have a C-13 license, and requiring instead that the contractor must be appropriately licensed;
- (3) Delete the provision that the Public Utilities Commission adopt rules pursuant to chapter 91, Hawaii Revised Statutes, and requiring instead that the commission shall carry out the purposes of this measure "by rule or order" to allow for flexibility;
- (4) Allow the Public Utilities Commission to adjust the rebates and caps specified in this measure, to ensure the amounts are appropriate and sufficient and carry out the purposes of this measure;
- (5) Delete the requirement that Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, and Kauai Island Utility Cooperative match the State's appropriation by ratepayer funding to avoid the effect of increasing utility rates for consumers; and
- (6) Delay the effective date to provide for further discussion.



As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce, Consumer Protection, and Affordable Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 988, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 988, 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 Commerce, Consumer Protection, and Affordable Housing,


  
\_\_\_\_\_  
BRIAN T. TANIGUCHI, Chair

  
\_\_\_\_\_  
RON MENOR, Chair



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>SB 988</b>	Committee Referral: <b>ENE/CPH, WAM</b>	Date: <b>2-15-07</b>		
<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		✓		
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>2</b>
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

The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce, Consumer Protection and Affordable Housing**  
**CPH**

Bill / Resolution No.:* <b>SB 988</b>	Committee Referral: <b>ENE/CPH, WAM</b>	Date: <b>2/15/2007</b>		
<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
TANIGUCHI, Brian T. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
IHARA, Jr., Les	✓			
SAKAMOTO, Norman				✓
SLOM, Sam		✓		
<b>TOTAL</b>	<b>4</b>	<b>1</b>		<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div>				
Distribution:            Original    Yellow    Pink File with Committee Report    Clerk's Office    Drafting Agency				

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