

STAND. COM. REP. NO.

715

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 591  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 591 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES,"

begs leave to report as follows:

The purpose of this bill is to promote the use of renewable energy by:

- (1) Authorizing preferential rates for electricity purchased by electric utilities from renewable energy producers associated with agricultural activities; and
- (2) Providing other incentives for electric utility companies to exceed their renewable portfolio standards or to meet their renewable portfolio standards ahead of time.

The Hawaii Farm Bureau Federation, Hawaii Crop Improvement Association, Hawaii Agriculture Research Center, Hamakua Springs, and Alexander & Baldwin, Inc., testified in support of this bill. The Consumer Advocate and Public Utilities Commission (PUC) provided comments.

Your Committee has amended this bill by:

- (1) Reducing its scope to the authorization of preferential rates for the purchase of renewable energy produced in

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conjunction with agricultural activities. As amended, this bill now authorizes PUC to establish such preferential rates following a public utility's receipt of a bona fide request;

- (2) Changing the effective date to January 1, 2090, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 591, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 591, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



