

STAND. COM. REP. NO. 1430

Honolulu, Hawaii

Aj-03, 2009

RE: H.R. No. 231  
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 Energy & Environmental Protection, to which was referred H.R. No. 231 entitled:

"HOUSE RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO ALLOW HAWAII ELECTRIC AND LIGHT COMPANY TO CONTINUE ITS NEGOTIATIONS WITH KAHUA RANCH AND NA MAKANI MOA E KU, LLC, ON THE KAHUA FAST-RESPONSE HYDRO PROJECT,"

begs leave to report as follows:

The purpose of this resolution is to continue exploring energy alternatives by requesting the Public Utilities Commission (PUC) to allow continued negotiations between the Hawaii Electric and Light Company (HELCO) and Kahua Ranch and Na Makani Moa e Ku, LLC, on a pilot project using a pumped hydro electric system to store energy in the event of, and to mitigate the impact of any sudden drop in other renewable energy sources.

A concerned individual supported this resolution. PUC provided comments.

Your Committee acknowledges information provided by PUC explaining its competitive bidding-waiver policy for pilot projects that may be adversely affected by the competitive bidding process.



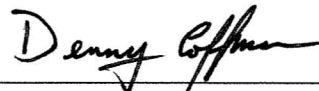
Accordingly, your Committee has amended this resolution by:

- (1) Indicating that Na Makani Moa e Ku is identified as a possible project in the energy agreement between the State of Hawaii, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and HELCO signed on October 20, 2008;
- (2) Specifying PUC's waiver policy;
- (3) Requesting PUC to grant a waiver of the competitive bidding process to allow continued negotiations; and
- (4) Amending the title to read, "REQUESTING THE PUBLIC UTILITIES COMMISSION TO GRANT A WAIVER ALLOWING HAWAII ELECTRIC AND LIGHT COMPANY TO CONTINUE ITS NEGOTIATIONS WITH KAHUA RANCH AND NA MAKANI MOA E KU, LLC, ON THE KAHUA FAST-RESPONSE HYDRO PROJECT."

Other technical, nonsubstantive amendments have been made for clarity, consistency, and style.

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 concurs with the intent and purpose of H.R. No. 231, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.R. No. 231, H.D. 1.

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



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DENNY COFFMAN, Acting Chair  
and Vice Chair



