

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1258
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1258, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to facilitate the growth of renewable energy in the State.

Specifically, this measure:

- (1) Clarifies the renewable energy portfolio standards by providing that, beginning in 2015, electrical energy savings shall not count towards renewable energy portfolio standards;
- (2) Revises the requirements of the renewable portfolio standards for electric utilities by increasing the 2020 standard to twenty-five per cent and establishing a forty per cent standard to be met by 2030;
- (3) Revises the requirements of the renewable portfolio standards study in order to reevaluate the renewable energy portfolio standards;
- (4) Authorizes the Public Utilities Commission to eliminate the limit on the percentage of system electricity produced by eligible customer-generators;



- (5) Directs the energy resources coordinator to develop programs and incentive plans for renewable energy resources;
- (6) Amends the definition of a "qualified business" for purposes of state enterprise zones to include an entity engaged in the development or production of specific alternative or renewable energy resources;
- (7) Clarifies the permitting duties of the renewable energy facilitator;
- (8) Allows qualifying biofuel facilities and electricity production facilities to apply to the energy resources coordinator to be designated as a renewable energy facility;
- (9) Allows renewable energy facility permits to be deemed approved if a permitting agency does not act on the applicable permit; and
- (10) Appropriates \$1,000,000 out of the renewable energy facility siting special fund in each of fiscal years 2009-2010 and 2010-2011 for the purposes of the renewable energy facility siting special fund.

Your Committee received two written comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that developing renewable energy resources for the generation of electricity will help to reduce Hawaii's dependence on imported fossil fuel sources. Your Committee further finds that this measure combines a variety of strategies to encourage renewable energy development and facilitate the transition from fossil fuels to alternative energies. Your Committee believes that this measure is a first step toward enabling Hawaii to achieve the goal of using renewable energy resources to meet seventy per cent of its energy demand by 2030.

Your Committee has amended this measure by:


- (1) Changing the appropriation to an unspecified amount;



- (2) Changing the effective date to January 1, 2050, to facilitate further discussion on this measure; and
- (3) 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 S.B. No. 1258, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1258, S.D. 2.

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




DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1258 SD1	ENEMTL/CPN/WAM	MAR 3 2009		
<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
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
TOTAL	9			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes