

STAND. COM. REP. NO. 524

Honolulu, Hawaii

Feb 20, 2009

RE: H.B. No. 429

H.D. 2

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. 429, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to direct the Public Utilities Commission to establish energy efficiency portfolio standards.

More specifically, this measure seeks to reduce the State's electricity use by requiring the Public Utilities Commission to establish energy efficiency portfolio standards that set goals and deadlines for achieving the electricity reduction. The Public Utilities Commission is also required to establish performance incentives and penalties.

Your Committee finds that the Hawaii Clean Energy Initiative was designed to convert the State's energy system into one that uses renewable energy and energy efficient technologies to meet a large part of the State's energy needs. This measure supports the Initiative by setting goals for the State to increase energy efficiency. Ultimately, the energy efficiency portfolio standards are designed to achieve a reduction of four thousand three hundred gigawatt hours of electricity.

The Department of Commerce and Consumer Affairs, Sierra Club Hawaii Chapter, Blue Planet Foundation, and the Hawaiian Electric Company, Inc. testified in support of the measure. Testimony in

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opposition was received from the Hawaii Renewable Energy Alliance. The Department of Business, Economic Development, and Tourism submitted testimony in support of the intent of the measure. The Public Utilities Commission submitted comments.

Your Committee amended this measure by changing the effective date to January 1, 2020, to facilitate further discussion on the measure.

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. 429, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 429, H.D. 2.

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



ROBERT N. HERKES, Chair



