

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1671  
S.D. 1

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

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1671 entitled:

"A BILL FOR AN ACT RELATING TO FOSSIL FUELS,"

begs leave to report as follows:

The purpose of this measure is to further the State's goal of energy independence by prohibiting new or expanded fossil fuel power plants in this State.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism, the Sierra Club Hawaii Chapter, Blue Planet Foundation, and one private citizen. Testimony in opposition to this measure was received from Kauai Island Utility Cooperative and one private citizen. Testimony with comments on this measure was received from the Department of Health and Alexander & Baldwin. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure is necessary to fulfill the objectives of the Hawaii Clean Energy Initiative to transition Hawaii's energy sector to seventy per cent nonfossil fuel based sources by 2030. Your Committee finds that the transition to a clean energy economy, along with increased use and development of renewable energy sources, will benefit Hawaii's economy, environment, and energy security.



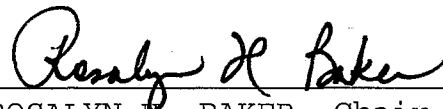
Your Committee recognizes the concerns of a biofuel provider that fossil fuel consumption is sometimes necessary to maintain consistent energy production levels or to recover quickly from a generator disruption. Your Committee is sympathetic to these concerns, but emphasizes that this measure applies only to new or expanded facilities and not existing facilities. Your Committee further notes that this measure is a step along the path to achieving the Hawaii Clean Energy Initiative's goal of achieving a clean energy based economy.

Your Committee has amended this measure by:

- (1) Clarifying that this measure applies to electricity-generating public utilities as defined in section 269-1, Hawaii Revised Statutes;
- (2) Exempting utility cooperative associations from the prohibitions contained in this measure until July 1, 2015; and
- (3) Adding a definition of "electric utility cooperative association".

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1671, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1671, S.D. 1.

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



ROSALYN H. BAKER, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB1671</b>	Committee Referral: <b>ENE, CPN</b>	Date: <b>3/3/2009</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
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh				✓
IHARA, Jr., Les	✓			
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
<b>TOTAL</b>	<b>6</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>				
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\*Only one measure per Record of Votes