

Honolulu, Hawaii

MAR - 6 2009

RE: S.B. No. 287
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. 287, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to establish a geothermal energy pilot program in a specified county to develop and expand the energy infrastructure needed to maximize the production of electricity from geothermal energy sources.

This measure also:

- (1) Establishes a geothermal energy pilot program tax credit to taxpayers for some of the costs of a geothermal energy infrastructure project;
- (2) Authorizes the Public Utilities Commission to direct public utilities in the pilot program county to acquire electricity from the geothermal energy producers and supply it to the public at maximum capacity; and
- (3) Requires the Public Utilities Commission to develop reasonable guidelines and timetables for creating and implementing power purchase agreements.

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



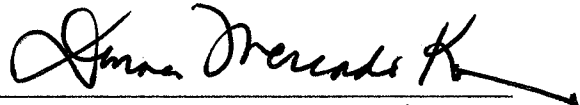
Your Committee finds that the pilot program established in this measure will yield valuable insights and strategies to use in reducing the State's reliance on imported fossil fuels and increase the State's level of energy self-sustainability.

Your Committee has amended this measure as follows:

- (1) Deleting the tax credit for the geothermal energy pilot program;
- (2) Changing the effective date to July 1, 2090, for the purposes of continued discussion of the matter; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity 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. 287, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 287, 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.:* SB 287 SD1	Committee Referral: ENE, WAM	Date: MAR 2, 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	7	3		2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes