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Honolulu, Hawaii
APR 29 2011 , 2011

RE: S.B. No. 1347
S.D. 1
H.D. 2
C.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1347, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to update the regulatory functions of the Public Utilities Commission by:

- (1) Requiring the Commission to accept any filing or application submitted by public utilities, motor carriers, and water carriers in either conventional paper document or electronic document format;
- (2) Authorizing the Commission to distribute, apportion, or allocate the costs and expenses of achieving the renewable



portfolio standard among an electric utility and its affiliates;

- (3) Authorizing the utilization of automatic rate adjustment clauses to allow recovery by an electric utility and its affiliates of revenue requirement resulting from the distribution, apportionment, or allocation of costs and expenses of achieving the renewable energy standard; and
- (4) Authorizing the Attorney General to institute civil actions for recovery of fines for violation of restrictions on the operation of retail gasoline stations.

Your Committee on Conference finds that enabling the Commission to accept electronic documents will allow the Commission to function more efficiently. Further, this measure increases transparency by reducing delays in processing documents and making those documents and information about the current status of the Commission's actions available to the public. The actions of the Public Utilities Commission affect the public, not just rate-filers. Therefore, it is appropriate and important to ensure that the Commission is able to function efficiently and transparently.

Your Committee on Conference finds that the renewable portfolio standards law was enacted to accelerate the development of renewable resources, furthering the State's goal of energy independence. This measure will assist electric utility companies and their electric utility subsidiaries in meeting increased revenue requirements incurred when they aggregate to meet a renewable portfolio standard. This, in turn, will facilitate the development of renewable energy projects leading to a reduction in Hawaii's reliance on imported petroleum fuels and transitioning Hawaii to a renewable energy State.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Public Utilities Commission shall begin accepting original documents plus an electronic copy of any documents required to be filed with the Commission no later than July 1, 2011;
- (2) Deleting language authorizing the Public Utilities Commission to assess an electronic-document surcharge to recoup the cost of accepting electronic documents;



- (3) Specifying that the Public Utilities Commission shall adopt rules, which shall supersede the provisions of this measure upon final adoption of those rules, to facilitate the acceptance of electronic documents;
- (4) Specifying criteria to facilitate the acceptance of electronic documents which shall be in effect until the adoption of rules by the Public Utilities Commission;
- (5) Specifying that no later than July 1, 2013, the Public Utilities Commission shall accept any documents in either paper or electronic format;
- (6) Deleting provisions related to violations on restrictions on the operation of gasoline retail stations;
- (7) Insert language that requires the Public Utilities Commission to submit a report to the Legislature no later than twenty days prior to the convening of the 2012 Regular Session on its progress in implementing the electronic filing of documents and specifies the required elements of the report;
- (8) Inserting an effective date of July 1, 2011; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee on Conference finds that this measure, as amended, will facilitate transparent and efficient operations of the Public Utilities Commission.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1347, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1347, S.D. 1, H.D. 2, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

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ROBERT N. HERKES, Co-Chair

Rosalyn H. Baker

ROSALYN H. BAKER, Chair

Denny Coffman

DENNY COFFMAN, Co-Chair

Marcus R. Oshiro

MARCUS R. OSHIRO, Co-Chair



Hawaii State Legislature

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 1347, SD 1, HD 2	Date/Time: 4:20 p 4-29-11
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	/				HERKES, Robert N., Co-Chr.	/			
TANIGUCHI, Brian T.	/				COFFMAN, Denny, Co-Chr.	/			
SLOM, Sam			/		OSHIRO, Marcus R., Co-Chr.	/			
					CHONG, Pono	/			
					ITO, Ken	/			
					KAWAKAMI, Derek S.K.	/			
					MARUMOTO, Barbara C.	/			
TOTAL	2	-	-	1	TOTAL	7	-	-	-

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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