

STAND. COM. REP. NO. 1420

Honolulu, Hawaii

April 5, 2011

RE: S.B. No. 1482
S.D. 1
H.D. 1

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1482, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to require the Public Utilities Commission (PUC) to consider:

- (1) The need to reduce the State's reliance on fossil fuels through energy efficiency; and
- (2) The impacts of using fossil fuels when making determinations of the reasonableness of the costs of utility system capital improvements and operations.

The bill also allows PUC to determine that short-term costs or direct costs that are higher than alternatives relying more heavily on fossil fuels are reasonable.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, the Sierra Club of Hawaii, and the Blue Planet Foundation supported this measure. Hawaii Renewable Energy Alliance supported the intent of this measure. Western States Petroleum Association and a concerned individual opposed this bill. PUC and an individual provided comments.

SB1482 HD1 HSCR CPC HMS 2011-3390



Your Committee amended this bill by changing its effective date to encourage further discussion.

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 S.B. No. 1482, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1482, S.D. 1, H.D. 1.

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



ROBERT N. HERKES, Chair



