

STAND. COM. REP. NO. 1004

Honolulu, Hawaii

March 21, 2011

RE: S.B. No. 1482  
S.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 Energy & Environmental Protection, 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 measure is to require the Public Utilities Commission to consider the need to reduce the State's reliance on fossil fuels when exercising its authority under chapter 269, Hawaii Revised Statutes.

In addition, the measure requires the Public Utilities Commission to consider the impacts of using fossil fuels when making determinations of the reasonableness of the costs of utility system capital improvements and operations.

Your Committee received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Blue Planet Foundation, Hawaii Renewable Energy Alliance, Life of the Land, and three individuals. Your Committee received testimony in opposition to this measure from the Western States Petroleum Association. Your Committee received comments on this measure from the Public Utilities Commission.

Your Committee finds that Hawaii is dangerously reliant on imported fossil fuel, which subjects the State and residents to

SB1482 SD1 HSCR LRB 11-2628.doc



greater oil and gas price volatility, increased air pollution, and potentially harmful climate change due to the release of harmful greenhouse gases. Your Committee further finds that these adverse conditions carry with them hidden costs that are not always considered by the Public Utilities Commission when the Commission makes decisions regarding utility system capital improvements and operations. This measure will assist in reducing the State's reliance on fossil fuels by requiring the Commission to factor in the hidden and long-term costs of the State's detrimental reliance on fossil fuels when exercising its statutory authority.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1482, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,

*Denny Coffman*

\_\_\_\_\_  
DENNY COFFMAN, Acting Chair



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

HSCR 1004

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: SB 1482 SD1	Committee Referral: EEP, CPC	Date: 3/15/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. MORITA, Hermina M. (C)				
2. COFFMAN, Denny (VC)	X			
3. CABANILLA, Rida T.R.				X
4. CARROLL, Mele				X
5. CHANG, Jerry L.	X			
6. CHONG, Pono	X			
7. HAR, Sharon E.				X
8. HERKES, Robert N.	X			X
9. ITO, Ken				X
10. NAKASHIMA, Mark M.	X			
11. RIVIERE, Gil	X			
12. THIELEN, Cynthia	X			
TOTAL (12)	7			4
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Cynthia Thielen</i>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				