

STAND. COM. REP. NO. 1152

Honolulu, Hawaii
March 24, 2011

RE: S.B. No. 631
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 Committees on Energy & Environmental Protection and Water, Land, & Ocean Resources, to which was referred S.B. No. 631, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

beg leave to report as follows:

The purpose of this bill is to encourage and facilitate the development of solar renewable energy facilities in Hawaii by authorizing solar renewable energy production as a permitted use on agricultural lands, with certain limitations.

The Department of Business, Economic Development, and Tourism, Sopogy, Inc., Hawaii Solar Energy Association, and a concerned individual testified in support of this bill. The Hawaii Farm Bureau Federation testified in support of the intent of this measure. The Sierra Club-Hawaii Chapter and several concerned individuals testified in opposition to this bill. The Office of Planning of DBEDT provided comments.

Hawaii is one of the most fossil fuel dependent states in the nation with a majority of our oil being imported. This makes the State extremely vulnerable to any oil embargo, supply disruption, international market dysfunction, and many other factors beyond the control of the State. Furthermore, the continued consumption of conventional petroleum fuel and price volatility can negatively impact the environment and economic health of the people of

SB631 HD1 HSCR EEP-WLO HMS 2011-3221



Hawaii. At the same time, Hawaii has among the most abundant renewable energy resources in the world, in the form of solar and wind energy assets. While these renewable resources of energy, especially solar energy, can be used to further the State's energy self-sufficiency, they can also be used to promote agricultural sustainability.

Your Committees note that Hawaii's farmers and ranchers need to fight energy costs with energy revenues to become or remain a viable business entity. While not all lands have wind resources, most lands have access to abundant sunshine. Under existing law, the electric utility companies do not have to obtain competitive bids for independent power producers that produce under five megawatts of power. As it takes approximately four acres of photovoltaic panels to produce one megawatt of electricity, approximately 20 acres of land would produce five megawatts of electricity. Allowing the use of agricultural land for renewable solar energy production provides farmers and ranchers with the opportunity to produce and sell electricity to offset their costs.

Your Committees have amended this bill by:

- (1) Further specifying that solar energy facilities located on agricultural lands with a productivity rating of B or C shall occupy no more than ten percent of the acreage of the parcel or not more than 20 acres of land, whichever is the lesser; and
- (2) Providing an exemption for solar energy facilities to be placed in areas designated as Important Agricultural Lands if the facility comprises an operational infrastructure of the appropriate type and scale for the economic commercial generation, storage, distribution, and other similar handling of energy, including equipment, feedstock, fuels, and other products of agricultural-energy facilities.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

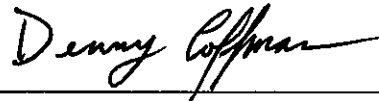


As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water, Land, & Ocean Resources that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 631, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 631, S.D. 1, H.D. 1, and be referred to the Committee on Agriculture.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Water, Land, & Ocean Resources,



JERRY L. CHANG, Chair

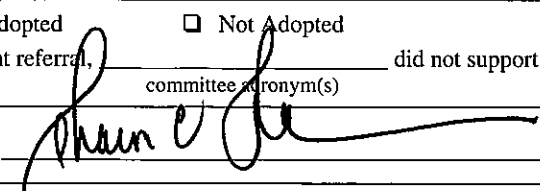


DENNY COFFMAN, Acting Chair



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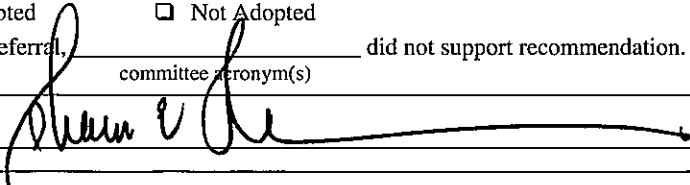
Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: SB 631, SD1	Committee Referral: EEP/WLO, AGR	Date: 3/21/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)	✓			
3. CABANILLA, Rida T.R.				✓
4. CARROLL, Mele				✓
5. CHANG, Jerry L.	✓			
6. CHONG, Pono	✓			
7. HAR, Sharon E.	✓			
8. HERKES, Robert N.	✓			
9. ITO, Ken	✓			
10. NAKASHIMA, Mark M.	✓			
11. RIVIERE, Gil	✓			
12. THIELEN, Cynthia	✓			
TOTAL (12) (11)	9			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

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Record of Votes of the Committee on Water, Land, & Ocean Resources

Bill/Resolution No.: SB 631, SD1	Committee Referral: EEP/WLO, FIN	Date: 3/21/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)				
WLO Members	Ayes	Ayes (WR)	Nays	Excused
1. CHANG, Jerry L. (C)	✓			
2. HAR, Sharon E. (VC)	✓			
3. CABANILLA, Rida T.R.				✓
4. CARROLL, Mele				✓
5. CHONG, Pono	✓			
6. COFFMAN, Denny	✓			
7. HERKES, Robert N.	✓			
8. ITO, Ken	✓			
9. MORITA, Hermina M.				
10. NAKASHIMA, Mark M.	✓			
11. RIVIERE, Gil	✓			
12. THIELEN, Cynthia	✓			
TOTAL ¹¹ (12)	9 7			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				