

STAND. COM. REP. NO.

41

Honolulu, Hawaii

Feb 7, 2011

RE: H.B. No. 1517

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 H.B. No. 1517 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 work toward reducing Hawaii's dependence on fossil fuels by:

- (1) Requiring the Public Utilities Commission (PUC) to consider:
 - (A) The need to reduce the State's reliance on fossil fuels through energy efficiency and increased renewable energy generation when exercising its statutory authority; and
 - (B) The consequences of importing fossil fuels when making determinations about the reasonableness of costs of utility system capital improvements and operations;

and

- (2) Allowing PUC to determine that short-term or direct costs of alternative energies that are higher than costs associated with fossil fuel are reasonable, considering the consequences of using fossil fuels.

HB1517 HSCR EEP HMS 2011-1740



The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Sierra Club-Hawaii Chapter, Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, Blue Planet Foundation, and a concerned individual testified in support of this bill. PUC provided comments.

Hawaii relies heavily on fossil fuels for the generation of its energy needs. Altogether, oil and coal account for 92 percent of the resources needed to supply this energy despite the fact that Hawaii has an abundance of renewable energy resources. Dependence on fossil fuels not only leaves our state vulnerable to the fluctuation of global oil and coal markets, but also affects Hawaii's natural environment by producing greenhouse gases and other environmental pollutants. Reducing the State's reliance on fossil fuels will help Hawaii more adequately plan for its energy future as well as protect the natural beauty of our islands.

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 H.B. No. 1517 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,



HERMINA MORITA, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 41

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 1517	Committee Referral: EEP, CPC	Date: 2-1-2011		
<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)	✓			
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	0	0	1
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: <u><i>Denny Coffman</i></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				