

STAND. COM. REP. NO. 2748

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2785
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2785, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTERISLAND ELECTRIC TRANSMISSION CABLE SYSTEMS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the regulatory framework for the development, financing, and use of a high-voltage undersea electric transmission cable system that will permit the transmission of power generated on one or more islands to an electric utility system located on another island of the State.

Written comments in support of this measure were submitted by the Department of Business, Economic Development, and Tourism; Public Utilities Commission, Department of Budget and Finance; Hawaii Association of Independent Schools; Land Use Research Foundation of Hawaii; BIA Hawaii; Blue Planet Foundation; General Contractors Association of Hawaii; and four individuals.

Written comments in opposition to this measure were submitted by one hundred forty-four individuals.

Written comments on this measure were submitted by two individuals.

Your Committee finds that the ability to interconnect the islands of the State for the purpose of transmitting power from

SB2785 SD2 SSCR LRB 12-1802-1.doc



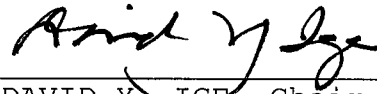
one island to another will increase the State's ability to maximize use of the energy resources that it has available and reduce the State's reliance on imported energy sources. Your Committee finds that this measure lays the groundwork for the development, regulation, and financing of an undersea interisland transmission cable system that may connect the energy grids of each island.

Your Committee has amended this measure by:

- (1) Deleting from the electric utility's net investment the reference to "cable acquisition cost in the case of the high-voltage electric transmission cable system" to conform to other provisions in the measure;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on this measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, conformity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2785, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2785, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2785, SDI	ENE/CPN, WAM	2-23-12
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
IGE, David Y. (C)	✓	
KIDANI, Michelle N. (VC)	✓	
CHUN OAKLAND, Suzanne		✓
DELA CRUZ, Donovan M.		✓
ENGLISH, J. Kalani		✓
ESPERO, Will		✓
FUKUNAGA, Carol		✓
KIM, Donna Mercado		✓
KAHELE, Gilbert	✓	
KOUCHI, Ronald D.	✓	
RYAN, Pohai		✓
TOKUDA, Jill N.	✓	✓
WAKAI, Glenn		✓
SLOM, Sam		✓
TOTAL	5	8
1	0	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>		
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy		

*Only one measure per Record of Votes