

Honolulu, Hawaii

March 22, 2012

RE: S.B. No. 2787
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2787, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRICITY,"

begs leave to report as follows:

The purpose of this measure is to support the stability and reliability of the Hawaii electric system by authorizing the Public Utilities Commission to:

- (1) Develop, adopt, and enforce electric reliability standards and interconnection requirements;
- (2) Contract for the services of a Hawaii Electricity Reliability Administrator to monitor and enforce standards, and perform other technical interconnection-related support functions; and
- (3) Establish the Hawaii Electricity Reliability Surcharge to ensure the reliable operation of the Hawaii electric system and oversee grid access on the Hawaii electric system.

The Governor; Department of Business, Economic Development, and Tourism; Public Utilities Commission; Hawaiian Electric Company; Maui Electric Company; Hawaii Electric Light Company; Sierra Club, Hawaii Chapter; ILWU Local 142; Blue Planet

SB2787 HD1 HSCR CPC HMS 2012-3030

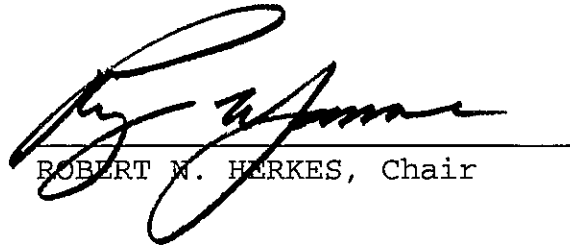


Foundation; Hawaii Renewable Energy Alliance; and several individuals testified in support of this measure.

Your Committee has amended this measure by changing its effective date to July 1, 3000, 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. 2787, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2787, S.D. 2, H.D. 1.

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



ROBERT W. HERKES, Chair



