

Honolulu, Hawaii

April 5, 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 Finance, to which was referred S.B. No. 2787, S.D. 2, H.D. 1, 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 electricity system and oversee grid access of the Hawaii electric system.

The Governor; Public Utilities Commission; Department of Business, Economic Development, and Tourism; Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Company; International Longshore and Warehouse

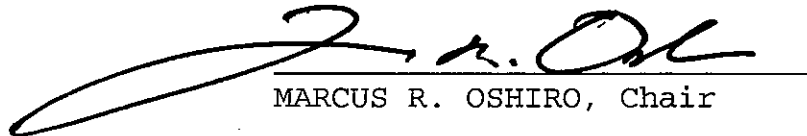
SB2787 HD1 HSCR FIN HMS 2012-3429



Union, Local 142; Blue Planet Foundation; and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2787, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



