

STAND. COM. REP. NO.

2743

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2787  
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. 2787, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRICITY,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure the stability and reliability of the State's power grid.

Specifically, the measure authorizes the Public Utilities Commission to perform necessary electricity system reliability and grid access oversight functions, and allows the Commission to contract for the services of a Hawaii electricity reliability administrator to support the Commission in carrying out those critical functions throughout the State. Additionally, this measure authorizes the establishing of a surcharge affecting users, owners, and operators of Hawaii's electricity system, to be collected for the purpose of maintaining system reliability.

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; and Blue Planet Foundation. Written comments on the measure were submitted by one individual.

Your Committee finds that the capability and accessibility of Hawaii's electricity system must be aligned with the State's ambitious renewable portfolio standard mandate and the various technologies that generate electricity at the distribution and

SB2787 SD2 SSCR LRB 12-1848.doc

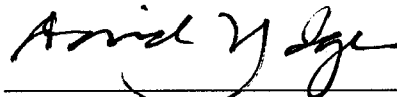


transmission levels. Your Committee further finds that the Public Utilities Commission is best positioned to be, and should be, responsible for administering critical formal reliability standards to govern all segments of the electric power system and ensuring fair and transparent grid access to achieve Hawaii's lofty clean energy requirements.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

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. 2787, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2787, 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 2787, SDI	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			✓	
<b>TOTAL</b>	6	7	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>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes