

Honolulu, Hawaii

FEB 04 2011

RE: S.B. No. 367  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Energy and Environment, to which was referred S.B. No. 367 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to effectuate its title by amending the Hawaii Revised Statutes.

Your Committee has amended this measure by deleting its contents and replacing them with provisions that:

- (1) Establish a regulatory scheme for the installation and implementation of an interisland high-voltage electric transmission cable system and for the construction of on-island transmission infrastructure;
- (2) Allow for a utility company to collect surcharges from its ratepayers to recover the costs of a cable installation on behalf of a cable company and exempt those surcharges from being counted as income for tax purposes;
- (3) Provide for the eventual acquisition of a high-voltage electric transmission cable system by a utility company from the cable company;
- (4) Allow a utility company to recover the costs of acquiring a high-voltage electric transmission cable



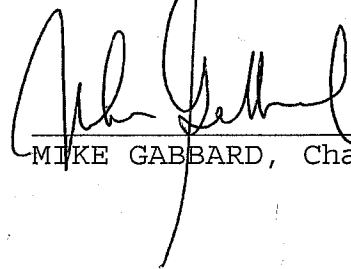
system and developing on-island infrastructure through an automatic rate adjustment clause; and

- (5) Allow a utility to recover certain costs if a high-voltage electric transmission cable system is not completed.

Prior to amending this measure, a proposed S.D. 1 was prepared and made available for public review.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 367, as amended herein, and recommends that it be recommitted to the Committee on Energy and Environment, in the form attached hereto as S.B. No. 367, S.D. 1, for further consideration.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,



MIKE GABBARD, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>SB 367</b>	Committee Referral: <b>ENE</b>	Date: <b>2-3-11</b>		
<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 checked="" type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
ENGLISH, J. Kalani (VC)				✓
GREEN, M.D., Josh				✓
IHARA, Jr., Les	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<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