

STAND. COM. REP. NO.

850

Honolulu, Hawaii

March 1, 2013

RE: H.B. No. 815

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 815, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC COOPERATIVES,"

begs leave to report as follows:

The purpose of this measure is to require the Public Utilities Commission and the Division of Consumer Advocacy to consider the ownership structure and interests of electric cooperatives in exercising their regulatory functions and to authorize the Public Utilities Commission to waive or exempt electric cooperatives operating in the State from provisions of chapter 269, Hawaii Revised Statutes, and other regulatory requirements.

The Public Utilities Commission, Department of Commerce and Consumer Affairs Division of Consumer Advocacy, seven individual Councilmembers of the Kaua'i County Council, and Kauai Island Utility Cooperative provided testimony in support of this measure. The Blue Planet Foundation and an individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Clarifying that its purpose is not to exempt electric cooperatives from statutory statewide clean energy policy mandates such as the State's renewable portfolio standards and energy efficiency portfolio standards; and

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- (2) Specifying that the Public Utilities Commission may waive or exempt an electric cooperative from the requirements of any applicable franchise, charter, decision, or rule upon a determination that the requirement should not be applied.

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 H.B. No. 815, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 815, H.D. 2.

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



ANGUS L.K. MCKELVEY, Chair



