

Honolulu, Hawaii

April 25, 2014

RE: H.B. No. 1943
H.D. 2
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1943, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE MODERNIZATION OF THE HAWAII ELECTRIC SYSTEM,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to eliminate technical and economic barriers that prevent customer-generators from interconnecting to the Hawaii electric grid in a timely manner by:

- (1) Amending the Public Utilities Commission principles regarding the modernization of the electric grid;
- (2) Requiring the Public Utilities Commission to initiate regulatory actions no later than July 1, 2014, to address upgrades to the Hawaii electric system for the anticipated growth of customer generation; and



- (3) Appropriating funds to the Public Utilities Commission and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs for the costs of the regulatory actions initiated by the Commission.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the principles associated with the modernization of the electric grid;
- (2) Removing the provisions regarding the funding and commencement of a regulatory action by the Public Utilities Commission to address the technical, policy, and economic issues associated with the modernization of the electric grid;
- (3) Changing the effective date to upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1943, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1943, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE


MIKE GABBARD, Chair


CHRIS LEE, Co-Chair


ROSALYN H. BAKER, Co-Chair


DEREK S.K. KAWAKAMI, Co-Chair


DAVID Y. IGE, Co-Chair


SCOTT Y. NISHIMOTO, Co-Chair



Hawaii State Legislature
Record of Votes of a
Conference Committee

CCR 142-14

Bill / Concurrent Resolution No.: HB 1943, HD 2, SD 2					Date/Time: 4/25/14 5:49				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GABBARD, Mike, Chr.	✓				LEE, Chris, Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				KAWAKAMI, Derek S.K., Co-Chr.	✓			
IGE, David Y., Co-Chr.	✓				NISHIMOTO, Scott Y., Co-Chr.	✓			
KOUCHI, Ronald D.	✓				YAMASHITA, Kyle T.	✓			
SLOM, Sam	✓				THIELEN, Cynthia	✓			
TOTAL	5				TOTAL	5			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
Distribution:		Original <i>File with Conference Committee Report</i>			Yellow <i>House Clerk's Office</i>		Pink <i>Senate Clerk's Office</i>		Goldenrod <i>Drafting Agency</i>