

STAND. COM. REP. NO.

2092

Honolulu, Hawaii

FEB 06 2014

RE: S.B. No. 2181

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

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 2181 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE PORTFOLIO STANDARDS,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the renewable portfolio standards to seventy percent by 2040 and one hundred percent by 2050.

Your Committee received testimony in support of this measure from the Sierra Club of Hawaii, Life of the Land, Blue Planet Foundation, Hawaii Solar Energy Association, Hawaii Renewable Energy Alliance, and Hawaiian Electric Company, Inc. Your Committee received testimony in opposition to this measure from four individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; and Public Utilities Commission.

Your Committee finds that Hawaii pays the highest electricity prices in the United States, and its gasoline costs are among the highest in the country. Reducing the State's fossil fuel dependence and the consequent price volatility, as well as attaining energy security and independence are critical.

Your Committee further finds that the current renewable portfolio standard was established by Act 155, Session Laws of Hawaii 2009. Act 155 set targets through 2030, mandating that

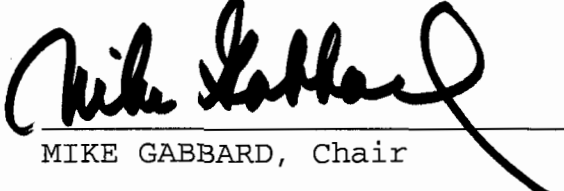
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forty percent of each electric utility company's net electricity sales will come from renewable sources by December 31, 2030. More importantly, this target remains achievable. For 2012, Hawaii Electric Light Company, Inc., reported that renewable generation accounted for approximately forty-seven percent of electricity sales, while Maui Electric Company, Limited, reported approximately twenty-one percent, Hawaiian Electric Company reported approximately eight percent, and Kauai Island Utility Cooperative reported approximately nine percent. In the interest of energy security and energy independence for Hawaii, it is time to articulate the next step and provide guidance for long-term energy planning by establishing renewable portfolio standards to be achieved by 2040 and 2050.

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. 2181 and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

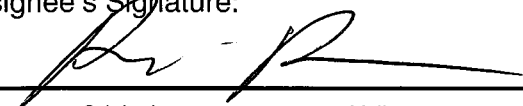
Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,

  
MIKE GABBARD, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

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

Bill / Resolution No.:* <b>SB 2181</b>	Committee Referral: <b>ENE, CPN</b>	Date: <b>2/4/14</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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	<input checked="" type="checkbox"/>			
RUDERMAN, Russell E. (VC)	<input checked="" type="checkbox"/>			
CHUN OAKLAND, Suzanne				<input checked="" type="checkbox"/>
IHARA, Jr., Les	<input checked="" type="checkbox"/>			
SLOM, Sam				<input checked="" type="checkbox"/>
<b>TOTAL</b>	<b>3</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