

STAND. COM. REP. NO.

2720

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2656
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2656, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to require, and appropriate funds for, the Public Utilities Commission to conduct a proceeding to address various issues associated with modernizing Hawaii's electrical grid and to report to the Legislature.

This measure also appropriates funds for the Consumer Advocate to represent the interests of all consumers in the proceeding before the Commission.

Your Committee received written comments in support of this measure from the Public Utilities Commission, Inter-Island Solar Supply, Hawaii Solar Energy Association, Renewable Energy Action Coalition of Hawaii, Sunrun, Blue Planet Foundation; RevoluSun, Hawaii PV Coalition, Hawaii Farmers Union United Kona Chapter, Hawaiian Electric Company, SolarCity, Haiku Aina Permaculture Initiative, Kalani Educational Retreat, Sierra Club of Hawaii, and forty-five individuals. Written comments in opposition were received from one individual. The Department of Business, Economic Development, and Tourism and eleven individuals submitted written comments on the measure.

SB2656 SD2 SSCR LRB 14-1746.doc



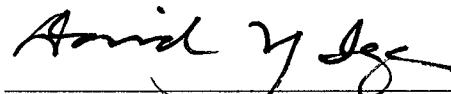
Your Committee finds that requiring the Public Utilities Commission to commence a proceeding and report its findings and recommendations to the Legislature will help to establish procedures for implementation of a modern electrical grid that will enable electric utilities to maintain a stable power supply while allowing more residents to install photovoltaic solar systems.

Your Committee has amended this measure by:

- (1) Deleting the requirement for the Public Utilities Commission to ensure access and rates under this measure through applicable rules, orders, and tariffs;
- (2) Changing the appropriations:
 - (A) From general funds to Public Utility Commission special fund moneys; and
 - (B) To unspecified amounts to facilitate further discussion; and
- (3) 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. 2656, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2656, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2656, 801	Committee Referral: ENE/CPN, WAM	Date: 2-25-14		
<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	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
	11	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes