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# A BILL FOR AN ACT

RELATING TO ENERGY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that Hawaii's economy is  
2 dangerously dependent on the volatile prices of imported fossil  
3 fuels. In order to provide security and stability for our local  
4 economy, we must end our reliance on imported fuels and decrease  
5 energy costs in the long-term.

6           The legislature further finds that while Hawaii's energy  
7 sector is changing rapidly, energy utilities need to make more  
8 progress toward ensuring the long-term public benefit of these  
9 changes and must be prepared to adapt to changing technology and  
10 a decentralized energy market. While for-profit energy  
11 utilities divert significant amounts of money from ratepayers to  
12 shareholders and tend to resist change that could reduce their  
13 customer base, publicly owned energy utilities are tasked only  
14 with representing the interests of the ratepayers they serve.

15           The purpose of this Act is to authorize and fund a study to  
16 assess and compare Hawaii's for-profit energy utilities with  
17 specific publicly owned energy utilities in the United States.



1 SECTION 2. (a) The legislative reference bureau shall  
2 conduct a study examining the energy utilities in: Kauai,  
3 Hawaii; Boulder, Colorado; Sacramento, California; Long Island,  
4 New York; and any other energy utility the bureau deems  
5 appropriate, to:

6 (1) Compare the different organizational models of  
7 publicly-owned energy utilities with that of the  
8 electric utilities of Hawaiian Electric Industries,  
9 Inc., with respect to elements that include but are  
10 not limited to: ownership structure, relation to  
11 ratepayers, operating and rate costs to taxpayers or  
12 ratepayers, energy generation sources, and incentives  
13 to achieve renewable energy goals; and

14 (2) Review the process by which any of these foregoing  
15 energy utilities converted to a municipally-owned or  
16 cooperative organizational structure and to the extent  
17 possible, assess the benefits and problems associated  
18 with the conversion, including an analysis of related  
19 procedural and legal issues.

20 (b) The legislative reference bureau may contract with  
21 another entity for services that may be required pursuant to



1 this Act. Any contract for services executed pursuant to this  
2 Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

3 (c) The legislative reference bureau shall submit a report  
4 of its findings to the legislature no later than twenty days  
5 prior to the convening of the regular session of 2016.

6 SECTION 3. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$ or so  
8 much thereof as may be necessary for fiscal year 2015-2016 to  
9 perform an energy utility study pursuant to section 2 of this  
10 Act.

11 The sum appropriated shall be expended by the legislative  
12 reference bureau for the purposes of this Act.

13 SECTION 4. This Act shall take effect upon its approval;  
14 provided that section 3 shall take effect on July 1, 2015.



**Report Title:**

Electric Utilities; Legislative Reference Bureau; Study;  
Appropriation

**Description:**

Requires the Legislative Reference Bureau to study electric utilities, including organizational models and the conversion process. Appropriates funds. (HB1504 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

