
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 or cooperatively owned energy utilities
14 are tasked only with representing the interests of the
15 ratepayers they serve.

16 The purpose of this Act is to require and fund a study to
17 assess and compare Hawaii's for-profit energy utilities with



1 specific publicly or cooperatively owned energy utilities in the
2 United States.

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

- 8 (1) Compare the different organizational models of
9 publicly-owned energy utilities with that of the
10 electric utilities of Hawaiian Electric Industries,
11 Inc., with respect to elements that include but are
12 not limited to: ownership structure, relation to
13 ratepayers, operating and rate costs to taxpayers or
14 ratepayers, energy generation sources, and incentives
15 to achieve renewable energy goals; and
- 16 (2) Review the process by which any of these foregoing
17 energy utilities converted to a municipally-owned or
18 cooperative organizational structure and to the extent
19 possible, assess the benefits and problems associated
20 with the conversion, including an analysis of related
21 procedural and legal issues.



1 (b) The legislative reference bureau may contract with
2 another entity for services that may be required pursuant to
3 this Act. Any contract for services executed pursuant to this
4 Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

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

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

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

15 SECTION 4. This Act shall take effect upon its approval;
16 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. (SD1)

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

