

537

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 1505

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1505, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to promote energy efficiency in the State.

Specifically, the measure:

- (1) Prohibits the Public Utilities Commission, under certain conditions, from approving power purchase agreements that prohibit the sale of renewable energy to a third party or require the consent of an electric utility company to sell renewable energy to a third party; and
- (2) Requires an independent power producer to pay fair compensation to an electric utility company when the independent power producer sells curtailed renewable energy to a third party on the electrical grid.

Your Committee received testimony in support from the Blue Planet Foundation. Testimony in opposition to the measure was received from Hawaiian Electric Company and its subsidiary utilities. Comments on the measure was received from the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy.



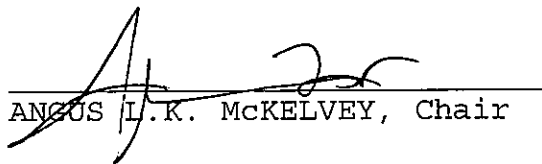
Your Committee finds that this measure will prevent the waste, or curtailment, of energy that is produced by an independent power producer but is not accepted by an electric utility onto the electric grid.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to facilitate further discussion on the measure.

Should the Committee on Finance decide to hear this measure, your Committee respectfully requests that it consider the concerns raised by the Division of Consumer Advocacy in its testimony presented to your Committee. Specifically, these concerns relate to energy wheeling, energy storage, and requiring that an open book requirement be imposed on independent power producers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1505, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1505, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

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Record of Votes of the Committee on Consumer Protection & Commerce

CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. WOODSON, Justin H. (VC)	✓			
3. BELATTI, Della Au	✓			
4. BROWER, Tom	✓			
5. CREAGAN, Richard P.	✓			
6. HAR, Sharon E.	✓			
7. HASHEM, Mark J.	✓			
8. KAWAKAMI, Derek S.K.				✓
9. LEE, Chris	✓			
10. NAKASHIMA, Mark M.	✓			
11. OSHIRO, Marcus R.	✓			
12. SAN BUENAVENTURA, Joy A.	✓			
13. TAKAYAMA, Gregg	✓			
14. YAMANE, Ryan I.				✓
15. FUKUMOTO CHANG, Beth	✓			
16. MCDERMOTT, Bob				✓
TOTAL (16)	13			3

The recommendation is: Adopted Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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