STAND. COM. REP. NO.

Honolulu, Hawaii **February 19**, 2016 RE: H.B. No. 2081 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2081 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to authorize public agencies to initiate public purpose projects through which a public utility would purchase fuel or electricity.

A concerned individual supported this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and Life of the Land opposed the measure. The Public Utilities Commission and a concerned individual submitted comments.

Your Committee has amended this measure by:

- Deleting provisions that would have required the public agency to submit a petition for approval and implementation of the public purpose project to the Public Utilities Commission and established related procedures;
- (2) Instead requiring the Public Utilities Commission to establish by January 1, 2017, a simplified regulatory process and procurement mechanism:



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- (A) For the Commission's review and approval of public purpose projects proposed by public agencies; and
- (B) To direct public utilities to procure electricity or fuel from approved projects at a rate authorized by the Public Utilities Commission;
- (3) Deleting provisions that would have specified how the public agency and public utility must implement the public purpose project; and
- (4) Changing its effective date to January 1, 2045, to facilitate further discussion.

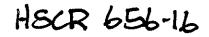
As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2081, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2081, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

CHRIS LEE, Chair



State of Hawaii House of Representatives The Twenty-eighth Legislature



Record of Votes of the Committee on Energy & Environmental Protection

	Committee Referral: EEP, CPC		Date: 2-9-16	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) □ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)				
2. LOWEN, Nicole E. (VC)				
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3. CULLEN, Ty J.K.				
4. EVANS, Cindy				
5 DIC Kariala				
5. ING, Kaniela				
6. NISHIMOTO, Scott Y.				
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7. SAY, Calvin K.Y.				
8. YAMANE, Ryan I.				
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9. POUHA, Feki				
10. THIELEN, Cynthia				
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TOTAL (10)	9	1	Ø	Ø
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature: Minch C. Lowen				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				