

STAND. COM. REP. NO. 2939

Honolulu, Hawaii

MAR 22 2016

RE: H.B. No. 2081  
H.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Transportation and Energy, to which was referred H.B. No. 2081, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to create a simplified regulatory process and procurement mechanism for the Public Utility Commission's review and approval of projects and to direct public utilities to procure electricity or fuel from those projects at a rate authorized by the Commission.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Hawaii, Office of the Mayor of the County of Maui, and Department of Environmental Services of the City and County of Honolulu. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Hawaiian Electric Company and its subsidiaries Maui Electric Company and Hawaii Electric Light Company, Kaua'i Island Utility Cooperative, Hawaii Energy Policy Forum, and one individual. Your Committee received comments on this measure from the Public Utilities Commission.

Your Committee finds that the current public utility regulatory structure for electricity and fuel resource procurement practices may hinder the development of essential public purpose projects that require utility cooperation and procurement of electricity or fuel. A simplified regulatory process would

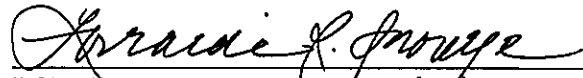
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encourage and facilitate the development of projects with important public purpose objectives. The role of the public utility in these cases would be limited to system integration. Public purpose projects may include management of waste and waste water, potable water, law enforcement, public health, and other essential public services.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2081, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation and  
Energy,

  
LORRAINE R. INOUE, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Transportation and Energy**  
**TRE**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2081, HD 2	TRE, CPH	15 March 2016		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	/			
GABBARD, Mike (VC)				/
CHUN OAKLAND, Suzanne				/
ENGLISH, J. Kalani	/			
KIDANI, Michelle N.	/	/		
NISHIHARA, Clarence K.	/			
SLOM, Sam				/
<b>TOTAL</b>	3	1		3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>J. Kalani English</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