March 4 , 20

RE: H.B. No. 2291 H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2291, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to amend the definition of "renewable portfolio standard" and establish a new definition for the term "grid-connected" to more accurately reflect the sum total of renewable energy penetration in the State. Specifically, the amended definition of renewable portfolio standard, when analyzed in the context of grid-connection, bases the calculation of renewable portfolio standards on the ratio of total renewable electrical energy generated from grid-connected renewable energy systems to the total electrical energy generated from grid-connected energy systems.

The Department of Transportation; Department of Business, Economic Development & Tourism; Distributed Energy Resources Council of Hawaii; Blue Planet Foundation; Ulupono Initiative; Hawaii Solar Energy Association, Inc.; Maui Tomorrow Foundation, and an individual testified in support of this measure. Land Use Research Foundation of Hawaii and Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company testified in opposition to this measure. The Public Utilities Commission; Hawaii Energy Policy Forum; and Hawaii Lodging & Tourism Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Restoring the measure's language to read in the form in which it was introduced. The restored language amends the definition of "renewable portfolio standard" to base the calculation of the standard on electrical energy generation rather than electrical energy sales; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that unlike the original version of this measure as introduced, the House Draft No. 1 raised concerns among various stakeholders. In order to appease these concerns, and upon consultation with the Director of the Department of Business, Economic Development & Tourism and at the request of the Governor, your Committee is reverting back to the language of the bill as introduced to encourage further deliberation.

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. 2291, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2291, 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

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HK 2291 HN1	Committee Referral: EEP. CP(Date:	3-3	J-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)				
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.	1			
6. HAR, Sharon E.				
7. HASHEM, Mark J.				
8. KAWAKAMI, Derek S.K.				
9. LEE, Chris	1			
10. NAKASHIMA, Mark M.				
11. OSHIRO, Marcus R.				
12. SAN BUENAVENTURA, Joy A.				
13. TAKAYAMA, Gregg		<u> </u>		
14. YAMANE, Ryan I.				
15. FUKUMOTO CHANG, Beth				
16. McDERMOTT, Bob				
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TOTAL (16)	17		0	4
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				