STAND. COM. REP. NO. DIO -16

Honolulu, Hawaii March 4, 2016 RE: H.B. No. 2566 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. 2566, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRICITY,"

begs leave to report as follows:

The purpose of this measure is to protect the public interest by providing the Public Utilities Commission (PUC) with additional guidelines to consider when making critical fossil fuel and renewable energy ratemaking decisions, including specifying a methodology that, among other potential criteria, takes into account the objective of reducing the risks of the State's exposure to fossil fuels.

Ulupono Initiative and Blue Planet Foundation testified in support of this measure. The Department of Business, Economic Development, and Tourism; Hawaii Energy Policy Forum; Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawai'i Electric Light Company; Department of Commerce and Consumer Affairs; and Hawaii Solar Energy Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



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Your Committee notes that the guidelines enumerated in this measure will not necessarily take priority over other potential criteria that the PUC may be considering in establishing fossil fuel and renewable energy ratemaking decisions.

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. 2566, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2566, 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.: HB 2566 HD I	Committee Referral: EEP. CI	Date:	2-24	-16
The committee is reconsidering its prev	ious decision on the measure	· · · · · · · · · · · · · · · · · · ·		
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold   Image: Pass short form bill with HD to recommit for future public hearing (recommit) Image: 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.				
6. HAR, Sharon E.				
7. HASHEM, Mark J.	1			
8. KAWAKAMI, Derek S.K.				
9. LEE, Chris				
10. NAKASHIMA, Mark M.	V			
11. OSHIRO, Marcus R.		V/_		
12. SAN BUENAVENTURA, Joy A.				1
13. TAKAYAMA, Gregg				
14. YAMANE, Ryan I.				i v
15. FUKUMOTO CHANG, Beth	· V/			
16. McDERMOTT, Bob	V			
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TOTAL (16)		5	<u>Ó</u>	
The recommendation is: 4 Adopted INot Adopted				
If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

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