

Honolulu, Hawaii

February 19, 2016

RE: H.B. No. 2570
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 Consumer Protection & Commerce, to which was referred H.B. No. 2570, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to encourage and facilitate the development of electrical power microgrids in the State.

Specifically, the measure promotes the development of microgrids by:

- (1) Prohibiting counties from requiring buildings that are served by a microgrid to be connected to an otherwise available source of electrical power; and
- (2) Exempting certain microgrids from being regulated as a public utility.

Your Committee received testimony in support of this measure from the Alliance for Solar Choice. Written comments were received from the Public Utilities Commission.


Your Committee finds that a microgrid is a localized electrical system composed of interconnected loads and distributed energy resources within clearly defined electrical boundaries. Your Committee further finds that this measure will remove regulatory hurdles to alternative energy development and enable



customers to explore the development of microgrids and ensure that Hawaii continues to be on the forefront of clean energy initiatives.

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. 2570, H.D. 1, and recommends that it be referred to your Committee on Finance.

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



ANGUS L.K. MCKELVEY, Chair



