

STAND. COM. REP. NO.

1065

Honolulu, Hawaii

March 3, 2017

RE: H.B. No. 152
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 152, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WHEELING,"

begs leave to report as follows:

The purpose of this measure is to increase competition within Hawaii's electrical markets, expand customer choice, provide incentives for the production of renewable energy, and diversify Hawaii's energy base by requiring the Public Utilities Commission to explore the feasibility of implementing retail wheeling.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and Energy Research Systems testified in support of this measure. The Hawaii Energy Policy Forum testified in opposition to this measure. The Public Utilities Commission and Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company provided comments.

Your Committee finds that the language of this measure as it was received by your Committee appears to conclude that retail wheeling is beneficial and establishes a roadmap toward its implementation. Your Committee finds that the docket process must be allowed to proceed fairly to ensure that whatever conclusions

HB152 HD2 HSCR CPC HMS 2017-2648



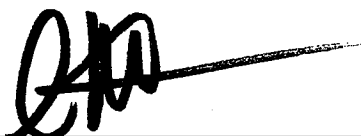
the Public Utilities Commission reaches are measured with the best interest of the customer and the public in mind.

Your Committee has amended this measure by:

- (1) Clarifying that in its report to the Legislature on retail wheeling, the Public Utilities Commission shall include proposed retail wheeling implementation plans and associated deadlines for implementation if the Commission's analysis through the docket process finds that retail wheeling is feasible and in both the public and consumer interest;
- (2) Changing its effective date to July 1, 2112, to facilitate further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

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. 152, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 152, H.D. 2.

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



ANGUS L.K. McKELVEY, Chair



