STAND. COM. REP. NO. 20

Honolulu, Hawaii Febmay 9^{, 2018}

RE: H.B. No. 2460 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2460 entitled:

"A BILL FOR AN ACT RELATING TO MICROGRIDS,"

begs leave to report as follows:

The purpose of this measure is to designate and establish requirements for a Natural Energy Laboratory of Hawaii Authority (NELHA) microgrid demonstration project that can assist in understanding, developing, and refining microgrid technologies and policies in the State.

NELHA, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Ulupono Initiative, Hawaii Solar Energy Association, Kokua Hawaii Foundation, and several individuals supported this measure. Hawaiian Electric Company, Maui Electric Company, and Hawaii Electric Light Company opposed this measure. Life of the Land provided comments.

Your Committee has amended this measure by:

- Recognizing and affirming the Legislature's endorsement of NELHA as having the potential to operate a microgrid;
- (2) Authorizing NELHA to plan and design a microgrid on its property;



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- (3) Requiring the Public Utilities Commission to open a docket and conduct an expedited proceeding specific to NELHA to determine how the NELHA microgrid demonstration project can operate on an ongoing basis as a microgrid test facility;
- (4) Requiring the Public Utilities Commission to take steps to enable and compel electric public utilities to allow the development of the NELHA microgrid demonstration project by non-utilities; and
- (5) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2460, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2460, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

CHRIS LEE, Chair



State of Hawaii House of Representatives **H3CR 204-18** The Twenty-ninth Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2460	Committee Referral: EEP, CPC		Date: 2/6/2018	
□ 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)				
EEP Members	Aye	s Ayes (V	VR) Nays	Excused
1. LEE, Chris (C)	/			
2. LOWEN, Nicole E. (VC)				
3. CULLEN, Ty J.K.				
4. KONG, Sam Satoru				
5. McKELVEY, Angus L.K.				
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7. YAMANE, Ryan I.			a da anticipat de la constructiva de participat A de la constructiva de la constructiva de la defensional de la constructiva de la defensional de la defensiona A de la constructiva de la constructiva de la defensional de la defensional de la defensional de la defensional	
8. MCDERMOTT, Bob		•		han di kanalara (di katalara da katalara) (di katalara). An
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TOTAL (8)	(<i>\alpha</i>	Ý V	$\rightarrow \qquad \not $	<u>२</u>
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature: Michel E. Leven				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				