

STAND. COM. REP. NO.

2383

Honolulu, Hawaii

FEB 15 2018

RE: S.B. No. 2910
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2910 entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC GRID RESILIENCY,"

beg leave to report as follows:

The purpose and intent of this measure is to enhance the State's emergency preparedness by:

- (1) Encouraging the development of grid resiliency through a grid resiliency capital investment program and grid resiliency rebate program; and
- (2) Establishing a grid resiliency task force to analyze grid resiliency programs and identify critical infrastructure.

Your Committees received testimony in support of this measure from the Hawaii Solar Energy Association, Distributed Energy Resources Council of Hawaii, Tesla, Life of the Land, Alliance for Solar Choice, Sierra Club Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Business,



Economic Development, and Tourism; Department of Budget and Finance; and Public Utilities Commission.

Your Committees find that as an isolated island that is exposed to natural disasters, Hawaii must have infrastructure in place that can withstand natural disasters and emergencies. Enhancing grid resiliency should be the focus, to reduce the severity of damage to the electric grid, and to ensure that critical infrastructure such as hospitals, fire stations, police stations, and ports of entry can continue to operate even if there is damage to the grid.

However, your Committees find that while the investment and development of grid resiliency can be incentivized through rebates, this measure as currently written could be too narrowly focused and might not be taking into full consideration the needs of critical infrastructure.

Accordingly, your Committees have amended this measure to focus on assessing the State's grid resiliency and critical infrastructure by:

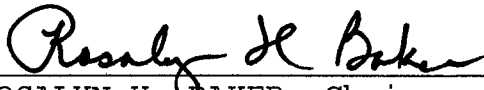
- (1) Eliminating the rebate programs;
- (2) Removing the grid resiliency task force and establishing a homeland security and resiliency council whose membership shall include critical infrastructure sector stakeholders;
- (3) Tasking the homeland security and resiliency council with, among other things, establishing strategies, goals, priorities, and recommendations to enhance security and resiliency of the electric grid and other critical infrastructure;
- (4) Inserting appropriate definitions to clarify the scope of the homeland security and resiliency council's purview and duties;
- (5) Making an appropriation to the homeland security and resiliency council to carry out its duties; and



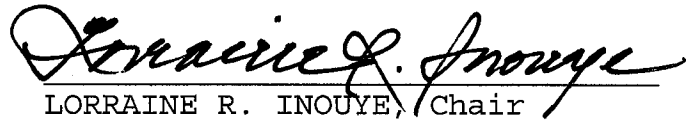
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2910, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2910, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation
and Energy and Commerce,
Consumer Protection, and
Health,



ROSALYN H. BAKER, Chair

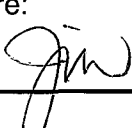


LORRAINE R. INOUE, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB291D	Committee Referral: TRE/CPH, WAM	Date: 2/9/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TOKUDA, Jill N. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
NISHIHARA, Clarence K.				/
RUDERMAN, Russell E.	/			
TOTAL	5			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes