

Honolulu, Hawaii

MAR 20 , 2018

RE: S.B. No. 2939
S.D. 2

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 S.B. No. 2939, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to change the regulatory compact for electric utilities to promote decisions and strategies that maximize public benefit, reduce ratepayer risks, and meet Hawaii's energy goals by requiring the Public Utilities Commission to establish performance incentives and penalty mechanisms that directly tie an electric utility's revenues to the utility's achievement on performance metrics and break the direct link between allowed revenues and investment levels.

The Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Organizing for Action, Sierra Club of Hawai'i, Blue Planet Foundation, Healthy Climate Communities, Hawaii Solar Energy Association, and several concerned individuals supported this measure. The Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc. opposed this measure. The Department of Commerce and Consumer Affairs, Public Utilities Commission, and Life of the Land submitted comments on this measure.



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 S.B. No. 2939, S.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Finance.

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



CHRIS LEE, Chair



HSCR 1237-18

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: SB 2939 SD2	Committee Referral: EEP, FIN	Date: 3-13-18		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	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.	/			
6. TODD, Chris	/			
7. YAMANE, Ryan I.	/			
8. MCDERMOTT, Bob				/
TOTAL (8)	7	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>Nicole E. Lowen</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				