

Honolulu, Hawaii

APR 06 , 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 Finance, 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:

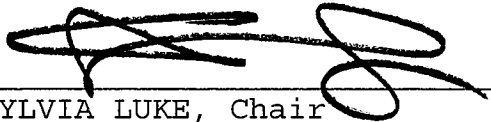
The purpose of this measure is to change the regulatory compact for electric utilities to promote decisions and strategies that maximize public benefit, reduce ratepayer risks, and meet Hawaii's energy goals by requiring the Public Utilities Commission to establish performance incentives and penalty 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, 350Hawaii.org, Organizing for Action, Sierra Club of Hawai'i, Hawaii Solar Energy Association, Blue Planet Foundation, and numerous concerned individuals testified in support of this measure. The Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc. testified in opposition to this measure. The Public Utilities Commission, Department of Commerce and Consumer Affairs, and International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO, provided comments.



As affirmed by the record of votes of the members of your Committee on Finance 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 Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



