

Honolulu, Hawaii

FEB 11 , 2020

RE: H.B. No. 2498
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2498 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY RESOURCES,"

begs leave to report as follows:

The purpose of this measure is to amend the amount of budget appropriations for energy expenditures that agencies performing energy efficiency or renewable energy system retrofitting are entitled to receive and to repeal the required setting aside of a portion of monies saved through the retrofitting.

Your Committee received testimony in support of this measure from Our Revolution Hawaii and fourteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii State Energy Office, Hawaii Energy, and Blue Planet. Your Committee received comments on this measure from the Department of Education, Hawaii Green Infrastructure Authority, and Ulupono Initiatives.

Your Committee finds that existing law requires an agency performing energy efficiency or renewable energy system retrofitting to receive budget appropriations for energy expenditures that are, at minimum, at the agency's pre-retrofitting energy budget and rise proportionately to any increase in the agency's overall budget for the duration of the



performance contract or project payment term. This measure proposes to repeal the requirements for the appropriation amounts and instead allow the Legislature to determine the appropriate energy expenditures budget appropriation amounts.

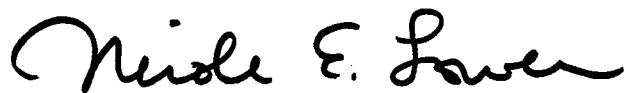
Your Committee further finds that costs for contracts or debt service for implementation or management of energy efficiency measures should be accounted for.

Accordingly, your Committee has amended this measure by:

- (1) Requiring agencies that perform energy efficiency or renewable energy system retrofitting to account for costs of contracts or debt service for the implementation and management of energy efficiency measures; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

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. 2498, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2498, H.D. 1, and be referred to your Committee on Finance.

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



NICOLE E. LOWEN, Chair



