

STAND. COM. REP. NO.

4

Honolulu, Hawaii

, 2021

FEB 04

RE: H.B. No. 561
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 561 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Public Utilities Commission to determine whether analysis of the effect of the State's reliance on fossil fuels is necessary for proceedings involving water, wastewater, or telecommunications providers on an individual basis; and
- (2) Provide that the analysis is not required for an electric or gas utility's routine system replacements or determinations that do not directly pertain to capital improvements or operations.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Hawaiian Electric Company, Inc. Your Committee received testimony in opposition to this measure from Life of the Land. Your Committee received comments on this measure from Hawai'i Gas and Hawaii Clean Power Alliance.

2021-1215 HB561 HD1 HSCR HMSO



Your Committee finds that price volatility of fossil fuels has a negative impact on consumers, while greenhouse gas emissions from fossil fuel use has a negative impact on the environment. Examining the impacts of fossil fuel use by utilities will assist the State in achieving its carbon negative target by 2045 and help to mitigate the damaging effects of sea level rise due to greenhouse gas emissions.

Your Committee has amended this measure by changing the 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. 561, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 561, 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,


NICOLE E. LOWEN, Chair



