STAND. COM. REP. NO. 3753

Honolulu, Hawaii

APR - 6 2022

RE: H.B. No. 2089

H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 2089, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE PORTFOLIO STANDARDS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the definition of "renewable portfolio standard" to more accurately reflect the percentage of renewable electrical energy generated in the State;
- (2) Expand the events or circumstances that are beyond an electric utility company's reasonable control to include non-renewable energy generated by electric generation facilities where the electric utility does not have direct control or ownership; and
- (3) Require electric utility companies to track and annually report data and trends on customer retention and attrition to further inform the calculation of the renewable portfolio standards.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Department

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of Business, Economic Development, and Tourism; Public Utilities Commission; Hawai'i State Energy Office; Hawaiian Electric Company; Ulupono Initiative; 350Hawaii.org; Climate Protectors Hawai'i; and two individuals.

Your Committee finds that the State is statutorily required to establish a one hundred percent renewable portfolio standard by December 31, 2045, with the intent to transition the State away from imported fuels and toward renewable local resources that provide a secure source of affordable energy. Your Committee further finds that the Legislature has also established a zero emissions clean economy target to sequester more atmospheric carbon and greenhouse gases than emitted within the State as quickly as practicable, but no later than 2045. Your Committee additionally finds that current calculations of the renewable portfolio standard do not accurately reflect the progress made by the State or the steps required to meet the State's renewable portfolio goals. This measure will change the renewable portfolio standard to be based on generation, rather than sales, to ensure that a one hundred percent renewable portfolio standard is achieved as intended.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2089, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2089, H.D. 1, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:		Date:		
HB 2089 HD1, 802	EET, IPN		03-19-1011		
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
BAKER, Rosalyn H. (C)		~			
CHANG, Stanley (VC)		/			
DECOITE, Lynn					✓
NISHIHARA, Clarence K.		~			
RIVIERE, Gil		✓			
SAN BUENAVENTURA, Joy A.					
FEVELLA, Kurt					/
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TOTAL		5			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
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*Only one measure per Record of Votes