

Honolulu, Hawaii

FEB 16 2022

RE: S.B. No. 2510
S.D. 1

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

Sir:

Your Committees on Water and Land and Energy, Economic Development, and Tourism, to which was referred S.B. No. 2510 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish firm renewable energy generation policy in the Hawaii State Planning Act to ensure the reliable one hundred percent replacement of fossil fuel electricity generation to increase the sustainability and energy self-sufficiency of the State to improve the quality of life for residents and visitors; and
- (2) Include policy of incentives to facilitate and encourage fuel-producing crops and energy-producing crops and bioenergy and standards for achieving renewable portfolio standards.

Your Committees received testimony in support of this measure from Island Cold Storage; Kulana Foods, Ltd.; Pacific Biodiesel Technologies; Suisan; Eco4Life; Sustainable Energy Hawaii; Hilo Products, Inc.; Hawaii Clean Power Alliance; and forty individuals. Your Committees received testimony in opposition to this measure from 350Hawaii; Energy and Climate Action Committee,



Environmental Caucus of the Democratic Party of Hawaii; Tawhiri Power LLC; and four individuals. Your Committees received comments on this measure from the Department of the Attorney General, University of Hawai'i System, Department of Budget and Finance, Office of Planning and Sustainable Development, Hawaii State Energy Office, Hawaiian Electric, Hawaii Bioeconomy Trade Organization, and one individual.

Your Committees find that to meet the goals set by Hawaii's commitment to one hundred percent renewable energy by 2045, there is an increasing need to promote clean, non-climate harming renewable energy, sustainability, and self-sufficiency. To achieve Hawaii's renewable energy goals, the State must consider a variety of renewable energy sources to address the needs of the State while providing clean energy to Hawaii's people.

Despite their clear commitment to renewable energy, your Committees have heard the concerns from several agencies and organizations, including the Department of the Attorney General, Hawai'i Natural Energy Institute, Hawaiian Electric, and Office of Planning and Sustainable Development, that this measure as drafted may create issues regarding binding legislation to future legislatures, no exceptions for emergency circumstances, and no appropriation to carry out current updates to the Energy State Functional Plan. Amendments are therefore needed to address the concerns of the various agencies and organizations while also considering the State's goals and commitment to renewable energy sources.

Your Committees have amended this measure by:

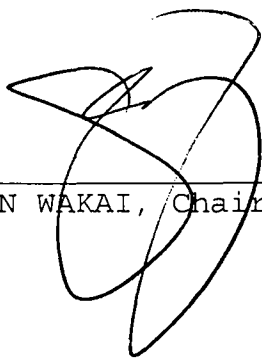
- (1) Authorizing the generation of fossil fuels after December 1, 2045, in cases of emergencies or natural disaster, a situation where unavailability of renewable fuels would require limited use of fossil fuels to maintain grid reliability, and in events or circumstances that are beyond reasonable control that could not be reasonably foreseen or ameliorated;
- (2) Authorizing rather than requiring updates to the energy state functional plan;



- (3) Deleting language that would have appropriated funds to the Office of Planning and Sustainable Development beyond the current Legislature;
- (4) Appropriating funds out of the energy systems development special fund pursuant to section 304A-2169.1, Hawaii Revised Statutes, instead of general revenues, for the Hawaii Natural Energy Institute to conduct the study as required by this measure;
- (5) Appropriating general funds for fiscal year 2022-2023 for the Office of Planning and Sustainable Development to update the energy state functional plan;
- (6) Amending section 1 to reflect its amended purpose;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2510, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2510, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Water and Land and Energy, Economic Development, and Tourism,



GLENN WAKAI, Chair



LORRAINE R. INOUE, Chair

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB 2510	Committee Referral: WTL/EET, WAM	Date: 2/11/22
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The Committee is reconsidering its previous decision on this measure.
If so, then the previous decision was to: _____

The Recommendation is:

<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310	<input type="checkbox"/> Recommit 2313
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Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
MISALUCHA, Bennette E.	X			
RIVIERE, Gil	X			
FEVELLA, Kurt	X			
TOTAL	5	0	0	0

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:

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*Only one measure per Record of Votes

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:* <i>SB 2510</i>	Committee Referral: <i>WTU/EET, WAM</i>	Date: <i>2/11/22</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	/			
MISALUCHA, Bennette E. (VC)	/			
LEE, Chris	/			
RIVIERE, Gil	/			
FEVELLA, Kurt	/			
TOTAL	<i>5</i>	<i>0</i>	<i>0</i>	<i>0</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Bennette E. Misalucha</i></div>				
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