

Honolulu, Hawaii

FEB 14 2022

RE: S.B. No. 2513
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 Commerce and Consumer Protection and Energy, Economic Development, and Tourism, to which was referred S.B. No. 2513 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) Require the Public Utilities Commission to have electric utilities separately issue requests for proposals for firm renewable energy generation and requests for proposals for intermittent renewable energy generation;
- (2) Prohibit the Public Utilities Commission from approving any new or renewed utility-owned generation project by a public utility or any new or renewed power purchase agreement for electricity generation with affiliated interests with a public utility; and
- (3) Appropriate moneys for the Hawaii State Energy Office to conduct a study of the available firm and intermittent renewable energy resources available on each island.

Your Committees received testimony in support of this measure from the Practical Policy Institute of Hawaii, Hawaii Clean Power Alliance, and 350 Hawaii. Your Committees received testimony in



opposition to this measure from Hawaiian Electric, International Brotherhood of Electrical Workers Local 1260, and three individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii State Energy Office, Public Utilities Commission, and Tawhiri Power LLC.

Your Committees find that Hawaii leads the nation with its commitment to one hundred percent clean energy by 2045. Accordingly, the State, clean energy developers, utilities, and ratepayers cannot afford long delays, stifled competition, perceptions of conflicts of interest, or other missteps that keep projects from being completed in a timely manner. This measure is therefore important to ensure the State can continue to reach its goals. Your Committees note the concerns raised in testimony that restricting the Public Utilities Commission's ability to conduct solicitations according to industry best practices could negatively affect achievement of the State's energy goals. Accordingly, amendments to this measure are necessary to address these concerns.

Your Committees have amended this measure by:

- (1) Removing language that would require electric utilities to issue requests for proposals for firm renewable energy generation and requests for proposals for intermittent renewable energy generation separately;
- (2) Inserting language that requires each request for proposals for intermittent renewable energy generation to include the capability of the renewable energy system to be offline for a period of up to ninety-six hours due to weather but still be able to deliver, while offline, renewable energy in an amount equal to the average kilowatt hours that was delivered in the ninety-six hours before the system went offline, and specifying that responses to intermittent renewable energy requests for proposals that do not demonstrate that they meet or exceed this requirement shall not be considered by the Public Utilities Commission;
- (3) Clarifying that the Public Utilities Commission shall have the discretion to determine what type of request



for proposals best meets the needs that give rise to future requests for proposals;


- (4) Clarifying that burning trees or other wood products shall not be considered an acceptable generation source for either "firm renewable energy" or "intermittent renewable energy";
- (5) Inserting an effective date of July 31, 2050, to promote further discussion; and
- (6) 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 Commerce and Consumer Protection 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. 2513, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2513, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Commerce and Consumer Protection and Energy, Economic Development, and Tourism,



GLENN WAKAI, Chair

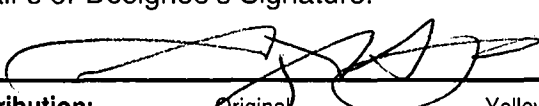


ROSALYN H. BAKER, Chair



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:
SB 2513	CPN/FEET, WAM	02-08-2022
<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	
BAKER, Rosalyn H. (C)	/	
CHANG, Stanley (VC)	/	
DECOITE, Lynn	/	
NISHIHARA, Clarence K.	/	
RIVIERE, Gil	/	
SAN BUENAVENTURA, Joy A.		/
FEVELLA, Kurt		/
TOTAL	5	2 <i>aye</i>
		1 <i>Opp</i>
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

*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.:* SB 2513	Committee Referral: CPN/EET, WAM	Date: 2/8/22
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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:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
MISALUCHA, Bennette E. (VC)	✓			
LEE, Chris				✓
RIVIERE, Gil	✓			
FEVELLA, Kurt		✓		
TOTAL	3	1	0	1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:
Bennette E. Misalucha

Distribution: Original Yellow Pink Goldenrod
File with Committee Report Clerk's Office Drafting Agency Committee File Copy

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