

STAND. COM. REP. NO. 3180

Honolulu, Hawaii

APR 05 2024

RE: H.B. No. 1828
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Ways and Means, to which was referred H.B. No. 1828, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the deadline for the State to achieve its energy-efficiency portfolio standards (EEPS) target from 2030 to 2045 and update the EEPS;
- (2) Require the Public Utilities Commission to establish interim goals for electricity use reduction to be achieved by 2030, 2035, and 2040, in addition to 2015, 2020, and 2025; and
- (3) Authorize the Public Utilities Commission to adjust the 2045 and interim EEPS.

Your Committees received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, Hawaii State Energy Office, Hawaii Green Infrastructure Authority, Office



of Economic Development of the County of Kaua'i, Hawaiian Electric, Building Decarbonization Task Force of the Hawai'i Environmental Change Agents, Blue Planet Foundation, Citizens' Climate Lobby Hawaii, Hawai'i Alliance for Progressive Action, Ulupono Initiative, 350Hawaii.org, Hawaii Solar Energy Association, Elemental Excelerator, Hawai'i Energy, and ten individuals.

Your Committees find that energy efficiency is a means of using less energy to provide the same or greater level of energy services to end-users. Act 155, Session Laws of Hawaii 2009, codified energy efficiency goals for the State by establishing an EEPS target goal of reducing statewide electricity use by 4,300 gigawatt-hours by 2030, and required the Public Utilities Commission to establish interim goals for electricity use reduction to maximize cost-effective energy efficiency programs and technologies. Your Committees find that tremendous progress has since been made towards this goal and, this measure, by updating the EEPS target to 6,000 gigawatt-hours of cumulative persisting electricity savings by 2045, will ensure that Hawaii residents will continue to see the benefits from energy-efficiency programs over the next two decades. Further, by aligning the EEPS target date with that of the State's renewable energy portfolio standards target date, this measure will help facilitate improved monitoring and coordinated planning across the state energy sector.

Your Committees note that during the public hearing for this measure, certain concerns were raised regarding the Public Utilities Commission's collaboration with the Hawaii State Energy Office, which participates in EEPS discussions as a member of the EEPS Technical Working Group, a group of energy stakeholders that, among other things, review and assess the State's progress towards meeting its EEPS 2030 target goal. Your Committees note that because the Hawaii State Energy Office does not have a board and does not report directly to the Director of Business, Economic Development, and Tourism, there is little accountability for them in relation to assisting the State in meeting its EEPS target, including the interim goals, and their set of goals has become acquiring federal funds. Your Committees further note that the primary focus of the EEPS Technical Working Group and its members should be on outcomes, such as meeting the EEPS target goal including interim goals, and not just on acquiring federal




funding. Therefore, amendments to this measure are necessary to address these concerns.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language clarifying that the interim goals established by the Public Utilities Commission for electricity use reduction shall show clear progress towards meeting the State's 2045 EEPS goal; and
- (2) 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 Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1828, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1828, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Ways
and Means,


DONOVAN M. DELA CRUZ, Chair


JARRETT KEOHOKALOLE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
HB1828 HDI SDI	EET, CPN/WAM	4/2/24

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
KEOHOKALOPE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton				✓
TOTAL	4			1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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***Only one measure per Record of Votes**

