

STAND. COM. REP. NO. 1628-24

Honolulu, Hawaii

APR 03 , 2024

RE: S.B. No. 2122
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2122, S.D. 1, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to extend the State's Energy-Efficiency Portfolio Standards from 2030 to 2045, update the standards, and authorize the Public Utilities Commission to establish interim goals and adjust the 2045 and interim standards.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Hawai'i Green Infrastructure Authority; Hawai'i State Energy Office; Public Utilities Commission; Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; Hawaiian Electric; Ulupono Initiative; Building Decarbonization Task Force of the Hawai'i Environmental Change Agents; Citizens' Climate Lobby Hawai'i; Climate Protectors Hawai'i; Hawai'i Alliance for Progressive Action; Democratic Party of Hawai'i; 350Hawaii.org; Hawai'i Energy; Blue Planet Foundation; and numerous individuals.

Your Committee finds that the Energy-Efficiency Portfolio Standards have been a successful policy for the State, serving as

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a critical component in support of the State's clean energy and decarbonization goals. Since the standards were established, they have generated many successful energy-saving programs for Hawaii residents and businesses. According to the Market Potential Study (2020), the State is on track to meet and exceed the established 2030 target of four thousand three hundred gigawatt hours of energy savings. This measure challenges the State to further exceed the goal by establishing a new long-term goal of six thousand gigawatt hours by 2045.

While the Market Potential Study (2020) has noted that the State is on track to meet and exceed the established 2030 target, your Committee notes that the Public Utilities Commission has stated in its Report to the 2024 Legislature on Hawaii's Energy Efficiency Portfolio Standards that more aggressive strategies will be needed to meet the 2030 target. Your Committee further notes that the aggressive strategies would not be identified until the next Market Potential Study update is completed, which is expected to occur in 2026. Consequently, your Committee notes there are concerns that this measure may be premature in its extension and increase of the energy efficiency goals since it is unclear whether the State will meet the 2030 target.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2122, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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



MARK M. NAKASHIMA, Chair



