

STAND. COM. REP. NO.

2725

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 2997
S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2997 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow the Public Utilities Commission to convene community outreach workshops to aid electric utilities in the development and implementation of best practices regarding wildfires;
- (2) Require electric utilities to design and operate in compliance with a risk-based wildfire protection plan approved by the Public Utilities Commission;
- (3) Shield electric utilities from civil liability for certain acts taken in accordance with a risk-based wildfire protection plan or for failing to act in accordance with an item in the draft plan that was removed by the Public Utilities Commission; and
- (4) Shield the State, Public Utilities Commission, and its agents from liability for actions taken in the performance of their duties with respect to risk-based wildfire protection plans.



Your Committee received testimony in support of this measure from the Hawaiian Electric Company, Inc.; International Brotherhood of Electrical Workers Local Union 1260; Hawai'i Island Chamber of Commerce; AES Hawai'i; Kona-Kohala Chamber of Commerce; Hawaii Leeward Planning Conference; Ulupono Initiative; Puna Geothermal Venture-Ormat; Kalaeloa Partners, LP; Par Hawaii; and seventy-nine individuals.

Your Committee received comments on this measure from the Office of the Governor, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Hawaii State Energy Office, Public Utilities Commission, Hawaii Green Infrastructure Authority, Life of the Land, and Kaua'i Island Utility Cooperative.

Your Committee finds that as the risk of catastrophic wildfires in the State increases, it is imperative that electric utilities develop and implement effective plans for wildfire risk mitigation. Your Committee further finds that the wildfire mitigation plans developed by electric utilities should be reviewed and approved by the Public Utilities Commission. This measure requires electric utilities to design, and operate in compliance with, a risk-based wildfire protection plan approved by the Public Utilities Commission.

Your Committee has amended this measure by:

- (1) Deleting language that would have created a new part in chapter 269, Hawaii Revised Statutes (HRS), to:
 - (A) Allow the Public Utilities Commission to convene community outreach workshops to aid electric utilities in the development and implementation of best practices regarding wildfires;
 - (B) Require electric utilities to design, and operate in compliance with, a risk-based wildfire protection plan approved by the Public Utilities Commission;
 - (C) Shield electric utilities from civil liability for certain acts taken in accordance with a risk-based wildfire protection plan or for failing to act in



accordance with an item in the draft plan that was removed by the Public Utilities Commission; and

- (D) Shield the State, Public Utilities Commission, and its agents from liability for actions taken in the performance of their duties with respect to risk-based wildfire protection plans;
- (2) Inserting language that creates a new section in chapter 269, HRS, requiring electric utilities to design a risk-based wildfire protection plan approved by the Public Utilities Commission;
- (3) Amending section 1 to reflect its amended purpose; and
- (4) 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 S.B. No. 2997, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2997, S.D. 1, and be referred to your Committee on Judiciary.

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



JERRETT KEOHOKALOLE, Chair



