

Honolulu, Hawaii

FEB 07 , 2024

RE: H.B. No. 1996  
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 Energy & Environmental Protection, to which was referred H.B. No. 1996 entitled:

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

begs leave to report as follows:

The purpose of this measure is to authorize independent generators of renewable energy to wheel the renewable energy transmitted and used to produce hydrogen, provided that any third-party electric utility whose transmission lines, distribution lines, and other facilities are utilized for retail wheeling is fairly compensated at a rate in accordance with a renewable energy tariff adopted by the Public Utilities Commission.

Your Committee received testimony in support of this measure from the Hawaii Center for Advanced Transportation Technologies. Your Committee received testimony in opposition to this measure from Hawaiian Electric; Kaua'i Island Utility Cooperative; and the Environmental Caucus of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; Ulupono Initiative; Life of the Land; and one individual.

Your Committee finds that green hydrogen can be produced from renewable sources like solar, geothermal, and wind creating the potential for near-zero greenhouse gas emissions. Your Committee



further finds that wheeling can facilitate the production of clean hydrogen by allowing hydrogen electrolyzers to access inexpensive electricity; however, the practice of retail wheeling is not authorized. Your Committee believes that this measure addresses this need by authorizing independent generators of renewable energy to be fairly compensated for transmitting their energy using the electric utility's infrastructure, to ultimately produce hydrogen.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

Your Committee notes that the term "independent renewable energy generator" needs to be defined.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1996, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1996, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,

  
NICOLE E. LOWEN, Chair



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: <b>HB 1996</b>	Committee Referral: <b>EEP, CRC, FWI</b>	Date: <b>2/1/24</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega	✓			
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.				
6. WOODSON, Justin H.				✓
7. WARD, Gene				✓
TOTAL (7)	5			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted         If joint referral, _____ did not support recommendation.				
Vice Chair's or designee's signature: <u>Elle Cochran</u>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				