

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1338
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Energy and Intergovernmental Affairs and
Economic Development and Tourism, to which was referred S.B.
No. 1338 entitled:

"A BILL FOR AN ACT RELATING TO LONG DURATION CLEAN ENERGY
STORAGE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Rename the Hawaii Renewable Hydrogen Program to the
Hawaii Renewable Hydrogen and Long Duration Clean Energy
Storage Program (Program);
- (2) Amend the required activities of the Program, including
conducting engineering and economic evaluations of
potential locations for long duration clean energy
storage and pumped storage hydroelectric projects; and
- (3) Rename the Hydrogen Investment Special Fund to the
Hydrogen and Long Duration Clean Energy Storage
Investment Capital Special Fund.

Your Committees received testimony in support of this measure
from the Department of Business, Economic Development, and
Tourism; Hawaii State Energy Office; Hawaii Center for Advanced
Transportation Technologies; and Hawai'i Gas.



Your Committees find that hydrogen has the potential to be an integral component of Hawaii's energy system, noting the establishment of the Hawaii Renewable Hydrogen Program and the Hydrogen Investment Special Fund under existing law. Your Committees recognize that the ability to store locally produced clean energy can mitigate the supply disruptions that could result from extreme weather or other disruptive events and that the vast majority of utility-scale energy storage capacity in the United States is pumped storage hydroelectric capacity, due to its relatively low water consumption, capital cost, and land requirements. Your Committees note that the United States Department of Energy intends to make significant funding available to the states to support its Energy Storage Grand Challenge Roadmap, a federal program that has a goal of reducing the cost of long duration clean energy storage by ninety percent by 2031. This measure expands the scope of the Hawaii Renewable Hydrogen Program to make the State a competitive candidate for clean energy storage federal grants, thereby supporting the continued development and storage of resilient, sustainable, and locally produced clean energy in the State.

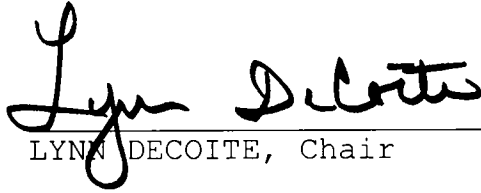
Your Committees have amended this measure by:

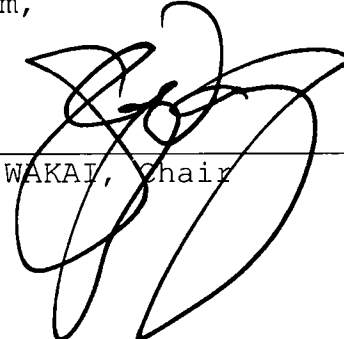
- (1) Inserting an effective date of May 13, 2040, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Intergovernmental Affairs and Economic Development and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1338, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1338, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Energy and
Intergovernmental Affairs and
Economic Development and
Tourism,


LYNN DECOITE, Chair


GLENN WAKAI, Chair



Record of Votes
Committee on Energy and Intergovernmental Affairs
EIG

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Economic Development and Tourism
EDT

Bill / Resolution No.:* <div style="font-size: 1.5em; font-weight: bold;">SB1338</div>	Committee Referral: <div style="font-size: 1.2em; font-weight: bold;">EIG/EDT, WAM</div>	Date: <div style="font-size: 1.2em; font-weight: bold;">2/11/2025</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div> <input type="checkbox"/> Pass, unamended 2312 </div> <div> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div> <input type="checkbox"/> Hold 2310 </div> <div> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
AWA, Brenton	✓			
TOTAL	4	0	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div> Original File with Committee Report </div> <div> Yellow Clerk's Office </div> <div> Pink Drafting Agency </div> <div> Goldenrod Committee File Copy </div> </div>				

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