

Honolulu, Hawaii

APR 25 2025

RE: S.B. No. 897  
S.D. 3  
H.D. 2  
C.D. 1

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

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 897, S.D. 3, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose and intent of this measure is to help mitigate the financial impacts of any future catastrophic wildfires in the State.

More specifically, the measure:

- (1) Authorizes electric cooperatives to recover wildfire mitigation, repair, and restoration costs through an automatic rate adjustment clause or through a recovery mechanism established by the Public Utilities Commission;
- (2) Establishes a method for determining the limit of the aggregate liability of electric utilities for qualifying



economic damages arising from a covered catastrophic wildfire;

- (3) Authorizes electric utilities to securitize certain costs; and
- (4) Establishes a working group to consider the feasibility of, and report to the Legislature on, the establishment of a wildfire recovery fund.

Your Committee on Conference finds that, if a future catastrophic wildfire occurs in the State, the mechanisms established by this measure will help balance the solvency interests of the State's electric utilities with the need to protect utility ratepayers and compensate victims of catastrophic wildfires.

Your Committee on Conference has amended this measure by:

- (1) Requiring that the Public Utilities Commission adopt and periodically review rules, subject to approval of the Governor, to determine each electric utility's maximum payable amount for catastrophic wildfires, rather than establishing a statutory mechanism for determining the maximum payable amount;
- (2) Setting out factors for the Public Utilities Commission to consider when adopting rules to establish the maximum payable amount;
- (3) Specifying that the Hawaii Supreme Court shall have original jurisdiction over any challenge to the validity of rules addressing an electric utility's maximum payable amount;
- (4) Requiring that an electric utility seeking to assert a limitation on aggregate liability shall:
  - (A) Have a wildfire mitigation plan that has been approved by the Public Utilities Commission, and have received a determination by the Commission that the plan is being implemented pursuant to a timeline approved by the Commission; and
  - (B) Be in full compliance with any conditions and reporting requirements established by rule;



- (5) Requiring that the Public Utilities Commission study whether the framework established in the measure adequately balances electric utilities' solvency interests with the compensation owed to any catastrophic wildfire victims, and report its findings and recommendations the Legislature;
- (6) Requiring that the Public Utilities Commission, rather than a working group within the Department of Commerce and Consumer Affairs, conduct a study on the establishment and implementation of a wildfire recovery fund, and report its findings and recommendations to the Legislature;
- (7) Requiring that the Public Utilities Commission submit annual reports to the Legislature on the Commission's securitization activities;
- (8) Establishing certain requirements that must be met before the Public Utilities Commission may issue a financing order to issue bonds to recover infrastructure resilience costs including that, after the effective date of this Act, the first \$500,000,000 in infrastructure resilience capital investments, in the aggregate, must be made under this Act;
- (9) Appropriating moneys; and
- (10) Making technical nonsubstantive edits for purposes of clarity, consistency, and style.

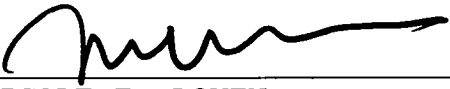
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 897, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 897, S.D. 3, H.D. 2, C.D. 1.




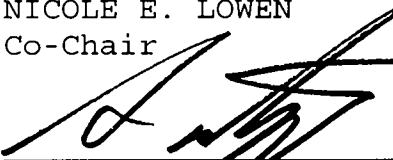
Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
NICOLE E. LOWEN  
Co-Chair

  
TROY N. HASHIMOTO  
Chair

  
SCOT Z. MATAYOSHI  
Co-Chair

  
JARRETT KEOHOKALOLE  
Co-Chair

  
DAVID A. TARNAS  
Co-Chair

  
ERIC KANUHA  
Co-Chair

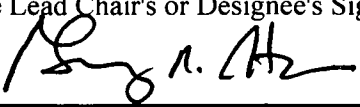

  
JENNA TAKENOUCHI  
Co-Chair



# Hawai'i State Legislature

## Record of Votes of a Conference Committee

CCR 219

Bill / Concurrent Resolution No.: <b>SB 897, SD 3, HD 2</b>					Date/Time: <b>4/25/25 5:50 pm</b>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
HASHIMOTO, Troy N., Chr.	/				LOWEN, Nicole E., Co-Chr.	/			
KEOHOKALOLE, Jarrett, Co-Chr.				/	MATAYOSHI, Scot Z., Co-Chr.				/
KANUHA, Dru Mamo, Co-Chr.	/				TARNAS, David A., Co-Chr.	/			
RHOADS, Karl	/				<del>Ikemochi, Janna</del> YAMASHITA, Kyle T., Co-Chr.	/			
FEVELLA, Kurt	/				PIERICK, Elijah				/
TOTAL	4	0	0	1	TOTAL	3	0	1	0
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is:					House Recommendation is:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
									
Distribution:      Original					Yellow				
File with Conference Committee Report					House Clerk's Office				
					Pink				
					Senate Clerk's Office				
					Goldenrod				
					Drafting Agency				