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Honolulu, Hawaii

February 13, 2015

RE: H.B. No. 623 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 623 entitled:

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

begs leave to report as follows:

The purpose of this measure is to further reduce Hawaii's dependence on imported fossil fuels and promote the growth of the State's renewable energy industry by, among other things:

- (1) Updating and extending renewable portfolio standard and renewable standard goals, including a 100-percent renewable energy goal by December 31, 2040;
- (2) Applying the same renewable energy goals to large selfgenerators and establishing reporting requirements and penalties for non-compliance;
- (3) Updating and clarifying exemptions and qualifying circumstances for waiver of penalties; and
- (4) Updating the Public Utilities Commission's independent study requirements to include the impact of renewable standards on developers' renewable energy prices.

Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, Blue Planet Foundation, Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, and numerous concerned individuals supported this measure. Starwood Hawaii and a concerned individual opposed the bill. The Department of Business, Economic Development, and Tourism; Public Utilities Commission; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Life of the Land; and two concerned individuals submitted comments.

Your Committee has amended this bill by:

- (1) Changing the 100-percent renewable-portfolio-standard and renewable-standard goal date from December 31, 2040, to December 31, 2045;
- (2) Specifying that the renewable standards for large-self generators do not apply to electricity-generating equipment that was in service before July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 623, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 623, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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

CHRIS LEE, Chair

State of Hawaii

Record of Votes of the Committee on Energy & Environmental Protection

	tee Referral: P, CPC, FIN 2/3/15			
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)	V			
2. LOWEN, Nicole E. (VC)				<u>.</u>
3. CULLEN, Ty J.K.				
4. EVANS, Cindy				
5. ING, Kaniela			·	
6. NISHIMOTO, Scott Y.				
7. SAY, Calvin K.Y.	:			
8. YAMANE, Ryan I.		: · · · · · · · · · · · · · · · · · · ·		
9. POUHA, Feki				
10. THIELEN, Cynthia			. j	
TOTAL (10)	B	1	0	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: MUSQ E Sover				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				