

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1220  
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 Commerce and Consumer Protection and Energy and Intergovernmental Affairs, to which was referred S.B. No. 1220 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE GAS TARIFF,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission by August 31, 2025; and
- (2) Require the Public Utilities Commission to establish a renewable gas tariff within six months of receiving a proposed renewable gas tariff.

Your Committees received testimony in support of this measure from the Hawaii State Energy Office, Kapolei Chamber of Commerce, Hawai'i Gas, Ulupono Initiative, Simonpietri Enterprises, and one individual.

Your Committees received testimony in opposition to this measure from Life of the Land.



Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and the Public Utilities Commission.

Your Committees find that the existing regulatory process in the State requires gas utility companies to file an application for a renewable gas tariff with the Public Utilities Commission, which then makes a decision on the application through the process of a general rate case. General rate cases cost between two and three million dollars and typically take two years to complete. Since customers ultimately pay this cost, and gas utility companies try to keep rates stable for as long as possible by delaying rate cases, an accelerated regulatory process is needed.

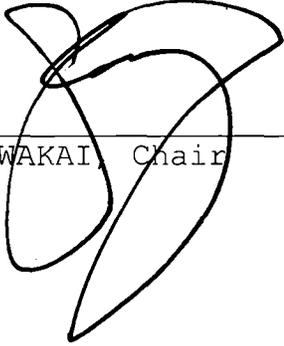
Your Committees find that this measure facilitates the timely consideration of tariff approvals. The requirement that gas utility companies file an application for a renewable gas tariff by August 31, 2025, coupled with the requirement that the Public Utilities Commission rule on an application within six months if provisions are met by the gas utility company, will help to prevent unnecessary delays in implementing a critical component of the State's decarbonization strategy. Streamlining the ability to establish a renewable gas tariff will enable customers to choose a cleaner energy option, supporting consumer demand for sustainable alternatives while providing a regulatory framework that ensures just and reasonable rates. Finally, this measure ensures that renewable gas tariffs do not lead to increased costs for non-participating ratepayers, maintaining equity in the energy transition.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Energy and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1220, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1220, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on  
behalf of the members of the  
Committees on Commerce and  
Consumer Protection and Energy  
and Intergovernmental Affairs,



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GLENN WAKAI, Chair



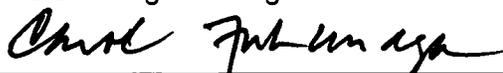
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JARRETT KEOHOKALO, Chair



The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB1220</b>	Committee Referral: <b>CPN/EIG, WAM</b>	Date: <b>2/11/25</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)		✓		
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton			✓	
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes

