

STAND. COM. REP. NO.

1936

Honolulu, Hawaii

, 2025

APR 03

RE: S.B. No. 1501

S.D. 2

H.D. 1

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

Madame:

Your Committee on Finance, to which was referred S.B. No. 1501, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Department of Budget and Finance to enter into step-in agreements with independent power producers for payment obligations arising under certain power purchase agreements;
- (2) Require the Department of Budget and Finance to establish the Power Purchase Costs Trust Fund;
- (3) Establish that monies collected from on-bill charges for power purchase agreements and money received from a surcharge supporting a reserve account that are deposited in the Power Purchase Costs Trust Fund shall be held in trust by the State, and that independent power producers shall hold a beneficial interest in the monies to the extent of the amounts owed under the covered power purchase agreements; and

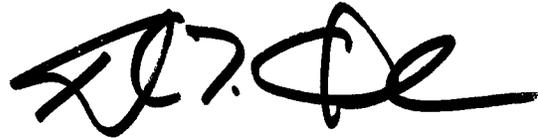


- (4) Appoint, authorize, and empower an electric utility to serve as the billing, collection, and payment agent of the Department of Budget and Finance in the service of performing step-in agreements.

Your Committee received testimony in support of this measure from Longroad Energy; Plus Power; Ameresco; AES Hawai'i; the Climate Hawai'i Initiative of the Hawai'i Executive Collaborative; and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Budget and Finance; Department of the Attorney General; Public Utilities Commission; Ulupono Initiative; General Contractors Association of Hawaii; Hawaiian Electric; Blue Planet Foundation; and Clearway Energy Group LLC.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1501, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



