STAND. COM. REP. NO. 2022

Honolulu, Hawaii APR 04 , 2025

S.B. No. 589 RE:

> S.D. 1 H.D. 3

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. 589, S.D. 1, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- Require the Public Utilities Commission to establish a (1)goal of installing fifty thousand new installations of customer-sited distributed energy resources by December 31, 2030;
- (2) Require the Public Utilities Commission to use tariffs for grid services programs, microgrids, and communitybased renewable energy;
- (3) Require sufficient compensation for solar and energy storage exports to the electric grid and require the Public Utilities Commission to establish grid service compensation values;
- Specify that persons who construct, maintain, or operate (4)a new microgrid are not considered a public utility

solely due to furnishing service to consumers through that new microgrid; and

(5) Authorize intragovernmental wheeling of renewable energy and require the Public Utilities Commission to establish policies and procedures to implement intragovernmental wheeling and microgrid service tariffs.

Your Committee received testimony in support of this measure from the Hawaii Energy Connection; LegaSea Energy; Hawaii Solar Energy Association; Solaray Corporation; Coalition Earth; Alternate Energy Hawaii; and eight individuals. Your Committee received testimony in opposition to this measure from the International Brotherhood of Electrical Workers Local Union 1260 and Hawaiian Electric. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; Life of the Land; Ulupono Initiative; Blue Planet Foundation; and Holu Hou Energy.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 589, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 589, S.D. 1, H.D. 3.

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

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 2022

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB589, SD1, HD2 EEP, CPC, F(N Date: 3/31/25				
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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)				
2. TAKENOUCHI, Jenna (VC)	1			
3. GRANDINETTI, Tina Nakada				
4. HOLT, Daniel	St Programmer Segret. Proced Std. 4 (1981) II MATTER TEST 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.		•	, /
5. HUSSEY, Ikaika				
6. KEOHOKAPU-LEE LOY, Sue L.			**************************************	
7. KITAGAWA, Lisa				
8. KUSCH, Matthias 9. LAMOSAO, Rachele F.			Apple Committee Committee	
9. LAMOSAO, Rachele F. 10. LEE, Mike				
11. MIYAKE, Tyson K.				
12. MORIKAWA, Dee				
13. TEMPLO, Shirley Ann				
14. ALCOS III, David	AND THE PROPERTY OF THE PROPER	#ACERNULLIHATE ACERN TO	Bland China Constitution of the Constitution o	
15. REYES ODA, Julie				
16. WARD, Gene			**************************************	INCOMES YOR DISEASE OF THE SECOND PROPERTY OF
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TOTAL (16)	10	2	2	2
The recommendation is: Adopted	☐ Not Adopted	<u> </u>		
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
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