Honolulu, Hawaii

Feb. 7, 2006

RE: H.B. No. 3053

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 3053 entitled:

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

begs leave to report as follows:

The purpose of this bill is to give the Public Utilities Commission (PUC) additional flexibility in implementing a ratemaking structure that encourages electric utilities to use costeffective renewable resources to meet the renewable portfolio standards, by:

- (1) Requiring that at least 50 percent of the renewable portfolio standards is to be met by "standard" renewable resources, such as wind, solar, and waste to energy; and
- (2) Allowing PUC to prescribe what portion of the remainder of the standards is to be met by specific types of renewable resources.

This bill also redefines "renewable energy" to distinguish between standard renewable resources and energy efficiency resources such as seawater air-conditioning district cooling systems.

PUC, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, Hawaii Renewable Energy Alliance, and Rocky Mountain Institute supported this bill. The Department of Business, Economic Development, and Tourism and Sierra Club, Hawaii Chapter, supported the intent of this measure. Life of the

HB3053 HSCR CPC HMS 2006-2024



Land and Honolulu Seawater Air Conditioning, LLC, opposed this bill. The Consumer Advocate and the Hawaii Energy Policy Forum commented.

Your Committee recognizes that there is a debate on the advisability of defining "renewable energy" to include or exclude energy efficiency resources such as seawater air conditioning, which reduces the use of fossil fuels through efficiency with a corresponding reduction in electricity sales. Your Committee believes that this issue should be further examined as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3053 and recommends that it be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROBERT N. HERKES, Chair

State of Hawaii House of Representatives The Twenty-third Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

| The recommendation is to: Pass, unamended Pass, with amendments CPC Members Ayes Ayes (WR) Nays Excused Ayes SCHATZ, Brian (VC) SCHATZ, Brian (VC) SCHATZ, Brian (VC) KANOHO, Ezra R. KARAMATSU, Jon Riki MORITA, Hermina M. SONSON, Alex M. SONSON, Alex M. No MARUMOTO, Barbara C. It. STONEBRAKER, Bud TOTAL Tota | Bill/Resolution No.: HB 3053 | Date: 2/13/06 | | | | |
|--|---|---------------|-----------------|----------|---------|--|
| CPC Members Ayes Ayes (WR) Nays Excused 1. HERKES, Robert N. (C) 2. SCHATZ, Brian (VC) 3. CALDWELL, Kirk 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: | Committee Referral: CPC, FIN | | | | | |
| CPC Members Ayes Ayes (WR) Nays Excused 1. HERKES, Robert N. (C) 2. SCHATZ, Brian (VC) 3. CALDWELL, Kirk 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: Adopted If joint referral, committee acronym(s) Vice Chair or designes's signature: | The recommendation is to: Pass, unamended Pass, with amendments | | | | | |
| 1. HERKES, Robert N. (C) 2. SCHATZ, Brian (VC) 3. CALDWELL, Kirk 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: | ☐ Hold | ☐ Recommit | | | | |
| 2. SCHATZ, Brian (VC) 3. CALDWELL, Kirk 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: | CPC Members | Ayes | Ayes (WR) | Nays | Excused | |
| 3. CALDWELL, Kirk 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: | | | | | | |
| 4. ITO, Ken 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: Adopted Not Adopted If joint referral, | | | | | | |
| 5. KANOHO, Ezra R. 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: Adopted Not Adopted If joint referral, | | | | | | |
| 6. KARAMATSU, Jon Riki 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL TOTAL Total In recommendation is: Adopted Not Adopted If joint referral, | | | | | | |
| 7. MORITA, Hermina M. 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL Total The recommendation is: Adopted If joint referral, did not support recommendation. Committee acronym(s) Vice Chair or designee's signature: | | | | | | |
| 8. SONSON, Alex M. 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. Committee acronym(s) Vice Chair for designee's signature: | | | | | | |
| 9. SOUKI, Joseph M. 10. MARUMOTO, Barbara C. 11. STONEBRAKER, Bud TOTAL The recommendation is: Not Adopted Not Adopted If joint referral, did not support recommendation. Vice Chair for designee's signature: | | <u> </u> | | | | |
| TOTAL Total Total Total Total Total Total Total The recommendation is: Adopted Not Adopted If joint referral, | | | | | | |
| TOTAL Total The recommendation is: Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| TOTAL The recommendation is: Adopted Not Adopted If joint referral, | | | | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | , * · · · · · · | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | · | | <u> </u> | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | 1000 | | |
| The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | | |
| If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | TOTAL | 7 | l l | | 3 | |
| If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | The recommendation is: □ Adopted | • | | | - | |
| If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: | | | | | , | |
| Vice Chair's or designee's signature: | ☐ Not Adopted | | | | | |
| Vice Chair's or designee's signature: | | | | | | |
| | | | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office | Vice Chair's or designee's signature: | | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office | | | | | | |
| . The state of th | | | | | | |