stand. com. rep. no. 7697

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 3185

S.D. 2

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing, to which was referred S.B. No. 3185, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to establish a statewide energy efficiency utility and energy efficiency portfolio standard.

The Department of Business, Economic Development and Tourism, Life of the Land, Honolulu Seawater Air Conditioning LLC, Rocky Mountain Institute, Power Light Solar Electric Systems, and Sierra Club Hawaii Chapter submitted testimony in support of this measure. Hawaiian Electric Light Company submitted testimony in support of the measure with amendments. The Department of Commerce and Consumer Affairs and the Public Utilities Commission submitted comments.

This measure addresses the substantive changes that are needed to the Renewable Portfolio Standards Law and creates a companion concept, the Energy Efficiency Portfolio Standard. Your Committee finds that the establishment of an energy efficiency utility to be selected by the Public Utilities Commission could lead to significantly greater energy efficiency gains than current approaches to demand-side management.

Upon further consideration, your Committee amended this measure by:

2006-1902 SSCR SMA-1.doc

- (1) Giving the Public Utilities Commission discretion to redirect either all or a portion of the funds collected through the current demand-side management surcharge into the public benefit fund that may be established by the Commission instead of requiring the Commission to redirect all of the funds;
- (2) Adding paragraph (10) to section 269-C and paragraphs (9) and (10) to section 269-D to obligate the energy efficiency utility to share in the responsibility of meeting the portfolio standards with the electric utilities;
- (3) Changing any reference to a "fixed price" to "fixed prices" in section 5 of the measure to clarify that one fixed price is not intended for all of the renewable technologies;
- (4) By defecting the effective date to July 1, 2050; and
- (5) By making technical, non-substantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3185, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3185, S.D. 2.

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

RON MENOR, Chair

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Commerce, Consumer Protection and Housing (Bills and Resolutions)

Measure:* Committee Referral: Date: SB 3 18 5 SD1 EIA, CPH 3-2-06					
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is to:					
			Hold Recommit (2310) (2313)		
Members	Ayes	Ayes(WR)	Nays	Excused	
MENOR, Ron (C)					
BAKER, Rosalyn H. (VC)					
ESPERO, Will IGE, David Y					
SAKAMOTO, Norman	1 · 1 · 1 · 1 · 1 · 1 · 1 · 1 · 1 · 1 ·			سسا	
HOGUE, Bob					

		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
TOTAL.	5			/	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Kesaly H Baker					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Do not list more than one measure per Record of Votes.