STAND. COM. REP. NO. 571

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 200

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 200, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY,"

begs leave to report as follows:

The purpose of this measure is to direct the Auditor to conduct a financial and management audit of the deep water pumping system operated by the Natural Energy Laboratory of Hawaii Authority at Keahole, Hawaii.

Specifically, this measure provides for:

- (1) An evaluation and determination of a reasonable rate structure for pumped seawater;
- (2) A freeze on the rate charged for pumped seawater at the level in effect on the effective date of this measure until completion of the audit; and
- (3) Implementation of the rate structure recommended by the Auditor.

Your Committee received testimony in support of this measure from the Natural Energy Laboratory of Hawaii Authority and Office of Hawaiian Affairs.

Your Committee is reminded that the submerged lands and water column above them are ceded lands, to be held in trust for all people of the State, with Native Hawaiians entitled to their appropriate pro rata share of any proceeds from the trust assets. Further, section 1, article XI, of the state constitution requires that the State "[s]hall conserve and protect Hawaii's natural beauty and all natural resources, including land, water, air, minerals and energy sources, and shall promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of the self-sufficiency of the State."

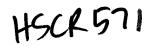
As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 200, H.D. 1, and recommends that it be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

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HERMINA MORITA, Chair

## State of Hawaii House of Representatives The Twenty-fourth Legislature



## **Record of Votes of the Committee on Energy & Environmental Protection**

| Bill/Resolution No.:   | Date:  | 211-1-1       |                   |         |
|--|--|---------------|-------------------|---------|
| HB 200 HD 1  |  | 2/15/07       |                   |         |
| Committee Referral:  | ☐ The committee is reconsidering its   |               |                   |         |
| EDB, EEP, FIN  | previous decision on the measure.  |               |                   |         |
| The recommendation is to:  Pass, unamended                                     | ☐ Pass, with amendments  |               |                   |         |
| ☐ Hold   | <ul> <li>Pass, with amendments, for recommittal for further consideration</li> </ul> |               |                   |         |
| EEP Members  | Ayes   | Ayes (WR)     | Nays              | Excused |
| 1. MORITA, Hermina M. (C)  | <b>V</b>   |               |                   |         |
| 2. CARROLL, Mele (VC)  | $\sqrt{}$  |               |                   |         |
| 3. CHONG, Pono   | $\sqrt{}$  |               |                   |         |
| 4. ITO, Ken  | V  |               |                   |         |
| 5. MAGAOAY, Michael Y.   | √ 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |               |                   |         |
| 6. SAGUM, Roland D., III   | $\overline{}$  |               |                   |         |
| 7. SAIKI, Scott K.   |  |               |                   |         |
| 8. THIELEN, Cynthia  | $\sqrt{}$  |               |                   |         |
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| TOTAL  | 8  |               |                   |         |
| The recommendation is:   |  |               |                   |         |
| Not Adopted  |  |               |                   |         |
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| If joint referral,   | mittee acronyn   | did not suppo | rt recommendation | •       |
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| Vice Chair's or designee's signature:  |  |               |                   |         |
| Mele (   | arrol  | e             |                   |         |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office |  |               |                   |         |
|  |  |               |                   |         |