STAND. COM. REP. NO. 1431

Honolulu, Hawaii

A:03 , 2009

RE: H.C.R. No. 260 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.C.R. No. 260 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO ALLOW HAWAII ELECTRIC AND LIGHT COMPANY TO CONTINUE ITS NEGOTIATIONS WITH KAHUA RANCH AND NA MAKANI MOA E KU, LLC, ON THE KAHUA FAST-RESPONSE HYDRO PROJECT,"

begs leave to report as follows:

The purpose of this concurrent resolution is to continue exploring energy alternatives by requesting the Public Utilities Commission (PUC) to allow continued negotiations between the Hawaii Electric and Light Company (HELCO) and Kahua Ranch and Na Makani Moa e Ku, LLC, on a pilot project using a pumped hydro electric system to store energy in the event of, and to mitigate the impact of any sudden drop in other renewable energy sources.

A concerned individual supported this concurrent resolution. PUC provided comments.

Your Committee acknowledges information provided by PUC explaining its competitive bidding waiver policy for pilot projects that may be adversely affected by the competitive bidding process.

Accordingly, your Committee has amended this concurrent resolution by:

- (1)Indicating that Na Makani Moa e Ku is identified as a possible project in the energy agreement between the State of Hawaii, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and HELCO signed on October 20, 2008;
- (2)Specifying PUC's waiver policy;
- (3)Requesting PUC to grant a waiver of the competitive bidding process to allow continued negotiations; and
- Amending the title to read, "REQUESTING THE PUBLIC UTILITIES COMMISSION TO GRANT A WAIVER ALLOWING HAWAII ELECTRIC AND LIGHT COMPANY TO CONTINUE ITS NEGOTIATIONS WITH KAHUA RANCH AND NA MAKANI MOA E KU, LLC, ON THE KAHUA FAST-RESPONSE HYDRO PROJECT."

Other technical, nonsubstantive amendments have been made for clarity, consistency, and style.

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 concurs with the intent and purpose of H.C.R. No. 260, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 260, H.D. 1.

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

DENNY COFFMAN, Acting Chair

and Vice Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HCR 260	Committee Referral:	Date 3	: 31-09	
☐ 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)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. MORITA, Hermina M. (C)	✓			
2. COFFMAN, Denny (VC)				
2. COPTMAN, Deiniy (VC)				
3. CABANILLA, Rida				✓
4. CHANG, Jerry L.			- 1-3-2-1-2-1-2-1-2-1-2-1-2-1-2-1-2-1-2-1-	
4. CHANG, July L.				
5. CHONG, Pono				
6. HAR, Sharon E.	180 July 1			
o. HAK, Sharon E.			The H	V
7. HERKES, Robert N.				1
8. ITO, Ken				
o. 110, Ken			17 de	V
9. LEE, Chris	✓			
10. LUKE, Sylvia				
11. SAGUM, Roland D., III	V			
12. CHING, Corinne W.L.		And a state		
				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
13. THIELEN, Cynthia	✓			
TOTAL (13)	. 8	0	0	3
The recommendation is: Adopted If joint referral, committee acronym(s) Not Adopted did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				