STAND. COM. REP. NO. 129/

Honolulu, Hawaii

Monh 27, 2009

RE:

S.B. No. 1065

S.D. 2 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 Committees on Energy & Environmental Protection and Economic Revitalization, Business, & Military Affairs, to which was referred S.B. No. 1065, S.D. 2, entitled:

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

beg leave to report as follows:

The purpose of this bill is to exempt the Natural Energy Laboratory of Hawaii Authority (NELHA) from regulation by the Public Utilities Commission (PUC) for the sale or provision of electricity generated from renewable resources by NELHA to users located on lands leased from the State that are adjacent to the NELHA research and technology park.

NELHA supported this bill. The Consumer Advocate submitted comments.

Your Committees note that the Consumer Advocate indicated that it would not be appropriate for NELHA to be entirely excluded from PUC regulation if NELHA intends to use a utility's grid to transmit energy to its neighbors who lease State property. According to the Consumer Advocate, in this instance, NELHA should be required to meet the performance and safety standards required for transmission and distribution of energy. Your Committee notes that the provisions contained in this bill address this concern.

Your Committees have amended this measure by:

- Changing its effective date to January 1, 2112, to (1)encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Revitalization, Business, & Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1065, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1065, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committees on Energy & Environmental Protection and Economic Revitalization, Business, & Military Affairs,

MCKELVEY, Chair

HERMINA MORITA, Chair

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

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

Bill/Resolution No.: SB 1065, SD2	Committee Referral: EEP/EBM, CPC	Date: 3-19-09					
☐ 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)	V			ST. 25 at 10			
2. COFFMAN, Denny (VC)		U U					
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3. CABANILLA, Rida							
4. CHANG, Jerry L.							
5. CHONG, Pono				~			
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6. HAR, Sharon E.							
7. HERKES, Robert N.							
8. ITO, Ken				1019 2 E			
6. 110, Ken							
9. LEE, Chris							
10. LUKE, Sylvia							
11. SAGUM, Roland D., III							
14 CHING Co.: WI							
12. CHING, Corinne W.L.							
13. THIELEN, Cynthia				15 25			
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TOTAL (13)	9	0	0	4			
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)							
Vice Chair's or designee's signature:							
<b>Distribution:</b> Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

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

## Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: SDZ Committee Referral:  Date: 3/19/09							
☐ 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)							
EBM Members	Ayes	Ayes (WR)	Nays	Excused			
1. McKELVEY, Angus L.K. (C)	/						
CHOW I W. (UC)							
2. CHOY, Isaac W. (VC)	•						
3. BERG, Lyla B.							
5. DERG, Lyla D.							
4. EVANS, Cindy							
			4127132				
5. MANAHAN, Joey							
6. TAKAI, K. Mark							
7. TOKIOKA, James Kunane	÷						
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8. TSUJI, Clift	_/						
	19.00	english to the second					
9. WAKAI, Glenn							
10 WOOLEN L							
10. WOOLEY, Jessica			3/18/24/2003 C.S.				
11. WARD, Gene							
		W					
TOTAL (11)	8			2			
The recommendation is:  Adopted  Not Adopted  if joint referral, did not support recommendation.  committee acronym(s)							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							