STAND. COM. REP. NO. 355

Honolulu, Hawaii FFB 20 2009

RE: S.B. No. 1258 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committees on Energy and Environment and Water, Land, Agriculture, and Hawaiian Affairs and Commerce and Consumer Protection, to which was referred S.B. No. 1258 entitled:

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

beg leave to report as follows:

2009-1325 SSCR SMA.doc

The purpose of this measure is to do the following:

- Clarify the renewable energy portfolio standards by providing that, beginning in 2015, electrical energy savings will not count towards renewable energy portfolio standards and revising the electric utility companies' renewable portfolio standard;
- (2) Prohibit the Public Utilities Commission from issuing permits to build additional fossil-based electric generation units with rated capacity greater than two megawatts;
- (3) Revise the requirements of the renewable portfolio standards study, in order to reevaluate the renewable energy portfolio standards;
- (4) Authorize the Public Utilities Commission to modify the maximum capacity of eligible customer-generators and to permit designated electrical utility companies to assign customer-generators to different rates, tariffs, or contracts;

- (5) Authorize the Public Utilities Commission to eliminate the limit on eligible customer-generators;
- (6) Assign to the Energy Resources Coordinator responsibilities relating to the development of programs and incentive plans for renewable energy resources;
- (7) Amend the definition of a "qualified business" for purposes of state enterprise zones to include an entity engaged in the development or production of certain alternative or renewable energy resources;
- (8) Clarify the duties of the Renewable Energy Facilitator;
- (9) Authorize the Energy Resources Coordinator to designate certain facilities as a "renewable energy facility", for purposes of certain permitting processing; and
- (10) Institute a "deemed approved" process for permitting of renewable energy facilities if the permitting agency do not act on the applicable permit.

Testimony in support of the measure was submitted by one private organization. Testimony in support of the measure, with suggested amendments, was submitted by one state department and two private organizations. Testimony in opposition was submitted by one private organization. Comments were submitted by one state agency and two private organizations. Written testimony presented to your Committees may be reviewed on the Legislature's website.

Your Committees find that this measure is intended to provide a comprehensive framework for encouraging renewable energy in Hawaii and meeting the State's goals as set forth in the Hawaii Clean Energy Initiative. Your Committees also find that certain provisions of S.B. No. 870, proposed by the Department of Business, Economic Development, and Tourism are more closely aligned with the Hawaii Clean Energy Initiative.

Your Committees have amended this measure by deleting the contents of the measure and inserting a revised version of S.B. No. 870 provided by the Department of Business, Economic Development, and Tourism, which:



- Clarifies the renewable energy portfolio standards by providing that, beginning in 2015, electrical energy savings will not count towards renewable energy portfolio standards and revising the electric utility companies' renewable portfolio standard;
- (2) Revises the requirements of the renewable portfolio standards study, in order to reevaluate the renewable energy portfolio standards;
- (3) Authorizes the Public Utilities Commission to eliminate the limit on eligible customer-generators;
- (4) Assigns to the Energy Resources Coordinator responsibilities relating to the development of programs and incentive plans for renewable energy resources;
- (5) Amends the definition of a "qualified business" for purposes of state enterprise zones to include an entity engaged in the development or production of certain alternative or renewable energy resources;
- (6) Clarifies the duties of the Renewable Energy Facilitator;
- (7) Allows certain biofuel facilities and electricity production facilities to apply to the Energy Resources Coordinator to be designated as a "renewable energy facility", for purposes of certain permitting processing; and
- (8) Institutes a "deemed approved" process for permitting of renewable energy facilities if the permitting agency do not act on the applicable permit.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water, Land, Agriculture, and Hawaiian Affairs and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1258, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1258, S.D. 1, and be referred to the Committee on Ways and Means.



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Respectfully submitted on behalf of the members of the Committees on Energy and Environment and Water, Land, Agriculture, and Hawaiian Affairs and Commerce and Consumer Protection,

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MIKE GABBARD, Chair

ROSALYN H. DAKER, Chair



### The Senate Twenty-Fifth Legislature State of Hawaii

# Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:*	Committee Referral: Date:							
SB 1258	ENE/WTL/CPH, WAM 17 Feb 2009							
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
GABBARD, Mike (C)				···				
ENGLISH, J. Kalani (VC)								
GREEN, M.D., Josh								
HOOSER, Gary L.		1						
IHARA, Jr., Les								
KOKUBUN, Russell S.					/			
HEMMINGS, Fred			Martin Bargarini in the state of the		and the second			
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Recommendation:								
Chair's or Designee's Signature:								
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\*Only one measure per Record of Votes

### The Senate Twenty-Fifth Legislature State of Hawaii

## Record of Votes Committee on Water, Land, Agriculture and Hawaiian Affairs WTL

Bill / Resolution No.:*	Committee Referral: Date:						
SB 1258	SB 1258 ENE/WTL/CPN, WAM 2/13/09						
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended M Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members		Aye,	Aye (WR)	Nay	Excused		
HEE, Clayton (C)		$\mathcal{N}$		· . ·			
TOKUDA, Jill N. (VC)							
BUNDA, Robert	a Martinia da Cara da Martina da Caracteriza a como	V,					
FUKUNAGA, Carol		V					
KOKUBUN, Russell S.		$\nabla$		Jilliodha			
TAKAMINE, Dwight Y.		V.					
HEMMINGS, Fred							
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*Only <u>one</u> measure per Record of Votes							

### The Senate Twenty-Fifth Legislature State of Hawaii

### Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SB 12-58	Committee Referral: Date: ENE/WTL/CPN, WAM 2-17-09							
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
BAKER, Rosalyn H. (C)	· . ·	V						
IGE, David Y. (VC)					V			
ESPERO, Will			-		.V.			
GREEN, M.D., Josh		V						
IHARA, Jr., Les			· · ·					
SAKAMOTO, Norman					V			
HEMMINGS, Fred								
TOTAL		4	0	Û	3			
Recommendation:								
Chair's or Designee's Signature								
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy								
*Only <u>one</u> measure per Record of Votes								