STAND. COM. REP. NO.



Honolulu, Hawaii

## FEB - 4 2010

RE: S.B. No. 2331 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 2331 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require that by 2015 a minimum of two per cent of each utility's renewable portfolio standard be produced using biofuel or by agricultural producers.

Testimony in support was submitted by one state agency. One state agency and one organization support the intent of the measure, and one organization submitted testimony in opposition. Written testimony presented to the Committee may be reviewed on the Legislature's website.

The use of biomass and biofuels can reduce the State's dependence on imported oil and increase the amount of renewable energy produced from sustainable resources. Additionally, longterm contracts for biomass production can improve agricultural producers' economic position. Your Committee finds that a strong agricultural sector is essential to the State's food security and can be an integral part of the State's energy security.

However, as the State experienced with the ethanol-gasoline blending requirement, requiring the use of a particular type of fuel does not necessarily mean that sufficient local production will develop. Your Committee recognizes that due to reasons



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beyond the electric utility company's control, agricultural energy may not be available in the quantities required by this measure.

Your Committee has amended this measure by adopting the recommendation of the Hawaiian Electric Company to include an availability exception if there is an insufficient supply of agricultural energy.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2331, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

> Respectfully submitted on behalf of the members of the Committee on Energy and Environment,

MIKE GABBARD, Chair



## The Senate Twenty-Fifth Legislature State of Hawaii

## Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:* SB 2331	Committee ENE,		Da 2	te: S Jan`	2010
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			·		
TOTAL	-	4			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 one measure per Record of Votes