

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2858
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. 2858 entitled:

"A BILL FOR AN ACT RELATING TO RETAIL WHEELING,"

begs leave to report as follows:

The purpose of this measure is to require the Public
Utilities Commission to establish policies and procedures related
to retail wheeling to enable independent power producers to sell
electricity directly to end users.

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

Your Committee recognizes the concerns of the Hawaiian
Electric Company, Inc. with regard to the complex issues raised by
retail wheeling. However, in the face of a future increased
demand with the rise in the number of electric cars, your
Committee believes that unbundling electrical utility services is
necessary to provide increased competition in energy markets and
improved service. Your Committee finds that by narrowing the
scope of the measure to intra-governmental electrical utility
services, many of the issues can be resolved on a smaller scale.
In the future, your Committee hopes that retail wheeling will be
available for all electric customers.

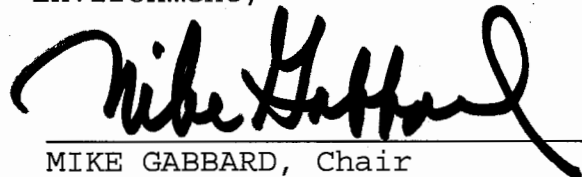


Your Committee has amended this measure by:

- (1) Narrowing the scope of the measure to enable independent renewable energy producers operating on state lands to sell electricity directly to state government entities located on the same island as the producer;
- (2) Amending the purpose section to reflect the changes; and
- (3) Making technical, nonsubstantive changes for the purposes of style and clarity.

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. 2858, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2858, 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.:* <div style="font-size: 1.5em; font-family: cursive;">SB 2858</div>	Committee Referral: <div style="font-size: 1.5em; font-family: cursive;">ENE, CPN</div>	Date: <div style="font-size: 1.5em; font-family: cursive;">9 Feb 2010</div>																		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____																				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>																				
Members	Aye	Aye (WR)	Nay	Excused																
GABBARD, Mike (C)	/																			
ENGLISH, J. Kalani (VC)	/																			
GREEN, M.D., Josh	/																			
HOOSER, Gary L.	/																			
IHARA, Jr., Les				/																
KOKUBUN, Russell S.	/																			
HEMMINGS, Fred	/																			
TOTAL	6			1																
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>																				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: center;">J. Kalani English</div>																				
<table style="width:100%; font-size: 0.8em;"> <tr> <td style="width:25%;">Distribution:</td> <td style="width:25%;">Original</td> <td style="width:25%;">Yellow</td> <td style="width:25%;">Pink</td> </tr> <tr> <td></td> <td>File with Committee Report</td> <td>Clerk's Office</td> <td>Drafting Agency</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Goldenrod</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Committee File Copy</td> </tr> </table>					Distribution:	Original	Yellow	Pink		File with Committee Report	Clerk's Office	Drafting Agency				Goldenrod				Committee File Copy
Distribution:	Original	Yellow	Pink																	
	File with Committee Report	Clerk's Office	Drafting Agency																	
			Goldenrod																	
			Committee File Copy																	

*Only one measure per Record of Votes