STAND. COM. REP. NO. 362

Honolulu, Hawaii FEB 2 0 2009

S.B. No. 555 RE: S.D. 1

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

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 555 entitled:

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

begs leave to report as follows:

The purpose of this measure is to direct the Department of Business, Economic Development, and Tourism to adopt rules that establish appliance energy efficiency standards consistent with those in California.

Testimony in support of this measure was submitted by two organizations. Testimony in opposition was submitted by one state agency. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that Hawaii is dependent on imported fuel for the generation of the vast majority of electricity in the State. In addition to making Hawaii's energy supply vulnerable to external market forces, using fossil fuels to generate power creates pollution that damages Hawaii's natural environment and contributes to global warming and climate change. It is in Hawaii's best interest to conserve energy wherever possible, and the use of energy efficient appliances is one method that would produce savings in every household and business.

Your Committee further finds that California has become a pioneer in this area of conservation by adopting strict appliance efficiency regulations. Over the past decade, the energy savings



STAND. COM. REP. NO. 362. Page 2

resulting from California's regulations is believed to have saved that state from having to build twenty new power plants. Moreover, these efficiency standards are a significant reason why California is in the bottom fifth of all states for per capita electricity use. California's aggressive efforts to improve the efficiency of appliances like air conditioners and refrigerators have helped hold its electric demand per capita steady for three decades.

Your Committee believes that Hawaii would benefit from the development of efficiency standards for appliances sold in the State.

Your Committee has amended this measure by:

- (1) Providing the Department of Business, Economic Development, and Tourism an additional two years for the adoption and implementation of rules by extending the rule adoption deadline from January 1, 2010, to January 1, 2012; and
- (2) Making the prohibition on the sale of appliances that do not meet the Department's efficiency standards effective on January 1, 2013, rather than January 1, 2011.

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. 555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 555, 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.:*	Committee Referral: Date:				
SB 535 ENE, CPN 2-17-9					
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)		./			1
GREEN, M.D., Josh					
HOOSER, Gary L.					/
IHARA, Jr., Les					
KOKUBUN, Russell S.				-1/	1
HEMMINGS, Fred			Medden and Chicago and Annal an	<u> </u>	2-
	Property and				
TOTAL	<u> </u>	4	0	0	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