STAND. COM. REP. NO.

P. NO. **/8**/

Honolulu, Hawaii

FEB 1 5 2011

RE: S.B. No. 1346 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Energy and Environment, to which was referred S.B. No. 1346 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE PORTFOLIO STANDARDS,"

begs leave to report as follows:

The purpose and intent of this measure is to allow electrical energy generated through customer-sited, grid-connected renewable energy generation to be counted toward renewable portfolio standard goals beginning January 1, 2015, to help electric utilities meet their renewable portfolio standard goals.

Your Committee received testimony in support of this measure from Richard C. Lim, Department of Business, Economic Development, and Tourism; the Sierra Club, Hawai'i Chapter; and Scott Seu, Hawaiian Electric Company, Inc. Your Committee received testimony in opposition to this measure from Mark Duda, Hawaii Solar Energy Association. Your Committee received comments on this measure from Carlito P. Caliboso, Public Utilities Commission; and Warren Bollmeier, Hawaii Renewable Energy Alliance.

Your Committee recognizes that allowing an electric utility to count electricity produced through customer-sited, grid-connected renewable energy generation toward its renewable portfolio standard encourages the connection of these renewable sources to the grid thereby leading to greater overall energy independence for the State.

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Your Committee has amended this measure by:

- (1) Specifying that net electricity delivered to a utility shall be included under the definition of renewable electrical energy that counts toward an electric utility's renewable portfolio standard;
- (2) Inserting an effective date of July 1, 2050, to facilitate further discussion on this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1346, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1346, 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-Sixth Legislature State of Hawai'i

Record of Votes Committee on Energy and Environment ENE

SB 1346	ENE,	_	Da (te: Fels Zo	11.
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)					
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TOTAL		4	**		
Recommendation: Adopted Not Adopted					
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