Honolulu, Hawaii FEB 14 2011

RE: S.B. No. 703 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. 703 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to direct the Public Utilities Commission to adopt rules and issue orders to establish a limited government wheeling market where independent renewable energy producers located on public lands may sell electricity to governmental entities located on the same island.

Your Committee received testimony in support of this measure from Mark Duda, Hawaii Solar Energy Association; Warren Bollmeier, Hawaii Renewable Energy Alliance; and Jeff Mikulina, Blue Planet Foundation. Your Committee received testimony in opposition to this measure from Carlito P. Caliboso, Public Utilities Commission; and Kevin Katsura, Hawaiian Electric Company, Inc. Your Committee received comments on this measure from Richard C. Lim, Department of Business, Economic Development, and Tourism; and Jeffrey T. Ono, Department of Commerce and Consumer Affairs.

Your Committee understands the need to reduce Hawaii's overall dependence on fossil fuels. Your Committee believes that facilitating the use of renewable energy by government entities, including a limited wheeling market for independent renewable energy producers to supply those entities, works toward that purpose.

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In order to assure that the intent of this measure is effectuated, your Committee has amended this measure by inserting the phrase "generated from renewable sources" after the word "electricity", where appropriate.

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. 703, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 703, 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 Hawaiʻi

## Record of Votes Committee on Energy and Environment ENE

	nittee Referral: IE, CPN	Dat	tes v	V
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		·		
IHARA, Jr., Les				
SLOM, Sam				* #
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		N		
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TOTAL	3			
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