

Honolulu, Hawaii

FEB 15 2012

RE: S.B. No. 2292
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Health and Energy and Environment, to
which was referred S.B. No. 2292 entitled:

"A BILL FOR AN ACT RELATING TO AIR POLLUTION,"

beg leave to report as follows:

The purpose and intent of this measure is to prohibit:

- (1) The Department of Health from issuing permits for new covered sources that will burn or consume coal for energy needs and for the expansion, relocation, or modification of existing covered sources that would increase the burning or consumption of coal for energy needs; and
- (2) The Public Utilities Commission from approving new, modified, or renewed power purchase agreements that propose to burn or consume coal to generate energy

Your Committees received testimony in support of this measure from the Sierra Club Hawaii Chapter, Blue Planet Foundation, Life of the Land, and two individuals. Your Committees received testimony in opposition to this measure from AES Hawaii, Inc. and Alexander & Baldwin, Inc. Your Committees received comments on this measure from the Department of Health and the Public Utilities Commission.

Your Committees find that burning coal produces toxic mercury, adversely impacts Hawaii's air quality, and releases more



greenhouse gas emissions than any other fuel source. Consequently, your Committees find that coal is not part of a clean and sustainable energy future for the State. Your Committees further find that in the Hawaii Clean Energy Initiative's energy agreement, participating parties, including the State of Hawaii and the United States Department of Energy, acknowledged that new generators fueled partly or entirely by coal are not in the interests of the people of the State and that attempts to add new coal-based generation in Hawaii would be opposed.

Your Committees have amended this measure by:

- (1) Prohibiting the Public Utilities Commission from approving a power purchase agreement for a new power plant that proposes to burn or consume coal to generate energy unless the proposed power plant replaces a less-efficient power plant of equal or greater capacity that burns or consumes fossil fuels to generate electricity;
- (2) Prohibiting the Public Utilities Commission from approving a modified or renewed power purchase agreement for a power plant that proposes to burn or consume more coal to generate energy than under the previous power purchase agreement; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

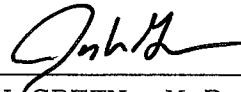
As affirmed by the records of votes of the members of your Committees on Health and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2292, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2292, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.



Respectfully submitted on
behalf of the members of the
Committees on Health and Energy
and Environment,



MIKE GABBARD, Chair

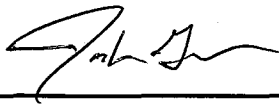


JOSH GREEN, M.D., Chair



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State of Hawai'i

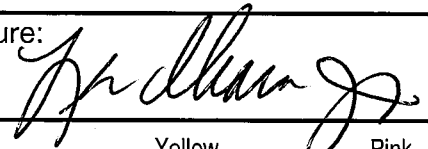
Record of Votes
Committee on Health
HTH

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|--|---|---------------------------------------|
| Bill / Resolution No.:* | Committee Referral: | Date: |
| <i>SB 2292</i> | <i>HTH/ENE, CPN</i> | <i>2/08/12</i> |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | |
| The Recommendation is: | | |
| <input type="checkbox"/> Pass, unamended 2312 | <input checked="" type="checkbox"/> Pass, with amendments 2311 | <input type="checkbox"/> Hold 2310 |
| <input type="checkbox"/> Recommit 2313 | | |
| Members | Aye | Aye (WR) |
| Nay | Excused | |
| GREEN, M.D., Josh (C) | ✓ | |
| NISHIHARA, Clarence K. (VC) | | ✓ |
| BAKER, Rosalyn H. | | ✓ |
| CHUN OAKLAND, Suzanne | ✓ | |
| SHIMABUKURO, Maile | ✓ | |
| WAKAI, Glenn | | ✓ |
| SLOM, Sam | | ✓ |
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| TOTAL | <i>8</i> | <i>1</i> |
| <i>0</i> | <i>3</i> | |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | |
| Chair's or Designee's Signature:  | | |
| Distribution: <div style="display: flex; justify-content: space-around; font-size: small;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div> | | |

*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

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|---|--|--|-----|---------|
| Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 2292</div> | Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">HTH/ENE, CPN</div> | Date: <div style="font-size: 1.2em; font-family: cursive;">2-8-12</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 | ✓ | | | |
| IHARA, Jr., Les | ✓ | | | |
| SLOM, Sam | | | | ✓ |
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| TOTAL | 3 | | | 2 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <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; margin-top: 10px; text-align: center;">  </div> | | | | |
| Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div> | | | | |

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