STAND. COM. REP. NO. 1534-12

Honolulu, Hawaii

April 5 , 2012

RE: S.B. No. 2438

S.D. 1 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

## Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2438, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION,"

begs leave to report as follows:

The purpose of this measure is to support renewable energy in Hawaii by:

- (1) Requiring the Director of the Hawaii Natural Energy
  Institute, upon the request of the Public Utilities
  Commission (PUC), to provide the PUC with an analysis of
  the technology readiness of a renewable energy project;
- (2) Prohibiting the PUC from approving a proposal or contract with a technology readiness level of 6 or below; and
- (3) Authorizing the PUC to consider a proposal or contract with a technology readiness level above level 6; provided that positive external factors, including cost to consumers, job creation, capital attraction, and increased state tax revenues are found in its final determination.

The PUC, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and Pacific Biodiesel Technologies supported this bill. The Department of Business, Economic Development, and Tourism and Blue Planet Foundation supported the intent of this measure. Hawaiian Electric Company submitted comments.

After careful consideration, your Committee has amended this bill by not specifying the technology readiness level:

- (1) At or below which the PUC is prohibited from approving a proposal or contract; and
- (2) Above which the PUC is authorized to consider a proposal or contract; provided that positive external factors, including cost to consumers, job creation, capital attraction, and increased state tax revenues are found in its final determination.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2438, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2438, S.D. 1, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROBERT N. HERKES, Chair



## State of Hawaii House of Representatives The Twenty-sixth Legislature

## Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: Committee	e Referral:	Date:	4/2/2	17
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)				-
2. YAMANE, Ryan I. (VC)			•	
3. BROWER, Tom		202		
4. CABANILLA, Rida T.R.				
5. CARROLL, Mele				
6. COFFMAN, Denny				
7. ITO, Ken	_			
8. KEITH-AGARAN, Gilbert S.C.				
9. LUKE, Sylvia				
10. McKELVEY, Angus L.K.				
11. SOUKI, Joseph M.		<del></del>		
12. TSUJI, Clift		_		
13. CHING, Corinne W.L.			-	<del></del>
14. MARUMOTO, Barbara C.				
15. THIELEN, Cynthia				
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TOTAL (15)	10			P
The recommendation is: Adopted	□ Not Adopted			
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				