Honolulu, Hawaii FEB 1 3 2013

RE: S.B. No. 19

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 19 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Exempt landlords and lessors who install renewable energy systems on their property and provide or sell power generated from the renewable energy system to an electric utility or lessee or tenant from the definition of "public utility"; and
- (2) Require that the rate schedule charged to the lessee or tenant for the power generated by the renewable energy system is fixed by the lease agreement.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Blue Planet Foundation; Hawaii PV Coalition; Carmel Partners; Forest City Hawaii Residential, Inc.; Castle and Cooke Hawaii; Distributed Energy Partners; and five individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Building Industry Association Hawaii.

Your Committee finds that this measure will exempt landlords who install renewable energy systems from the onerous requirements imposed on public utilities and will serve as an incentive for

2013-1244 SSCR SMA.doc

landlords to adopt renewable energy systems and assist the State in meeting its clean energy objectives. Your Committee further finds that this measure will protect tenants by requiring landlords to fix renewable electricity rates in lease agreements.

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. 19 and recommends that it pass Second Reading 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-Seventh Legislature State of Hawaiʻi

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:*	Committee	Referral:	Dat	e: / /	
SB 19	ENE	CPN	2	15/1	3
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)		\times			
RUDERMAN, Russell E. (VC)		X			
CHUN OAKLAND, Suzanne		X			
IHARA, Jr., Les		X			
SLOM, Sam		*			X
<u>.</u>					
		:			
				····	
TOTAL		4			1
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