STAND. COM. REP. NO. **552**

Honolulu, Hawaii

February 20 , 2015

RE: H.B. No. 1512 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1512, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PERFORMANCE-BASED REGULATION," begs leave to report as follows:

The purpose of this measure is to reduce the State's reliance on imported fossil fuels and decrease long-term energy costs by:

- (1) Updating and extending the renewable portfolio standard goals to include a 70 per cent renewable energy goal by December 31, 2035, and a 100 per cent renewable energy goal by December 31, 2045; and
- (2) Establishing performance-based criteria for electric utility companies to meet.

The Hawaii Solar Energy Association, Blue Planet Foundation, and Democratic Party of Hawaii supported this measure. The Hawaiian Electric Company Inc., Maui Electric Company, and Hawaii Electric Light Company supported the intent of this measure. The Department of Business, Economic Development, and Tourism; Public Utilities Commission; and the Division of Consumer Advocacy of the Department of Commerce and Consumers Affairs commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that electric utility companies divest utility-owned generation to independent generators at a rate to achieve 90 per cent divestiture by 2050 as one of the performance criteria;
- (2) Changing the effective date to January 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 1512, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1512, H.D. 2.

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

ANGUS L.K. McKELVEY, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 1512, HD 1- EEP	ee Referral: , CPC, F1		Date: 02/18/15		
☐ 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. McKELVEY, Angus L.K. (C)	/	""			
2. WOODSON, Justin H. (VC)					
3. BELATTI, Della Au					
4. BROWER, Tom	/				
5. CREAGAN, Richard P.	✓				
6. HAR, Sharon E.					
7. HASHEM, Mark J.					
8. KAWAKAMI, Derek S.K.					
9. LEE, Chris					
10. NAKASHIMA, Mark M.	/				
11. OSHIRO, Marcus R.	/				
12. SAN BUENAVENTURA, Joy A.	<u> </u>				
13. TAKAYAMA, Gregg					
14. YAMANE, Ryan I.					
15. FUKUMOTO CHANG, Beth			-		
16. MCDERMOTT, Bob					
4.444.4,4					
TOTAL (16)	13			3	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					