STAND. COM. REP. NO. 44216

Honolulu, Hawaii February 18 , 2016

RE: H.B. No. 1730 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1730 entitled:

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

begs leave to report as follows:

The purpose of this measure is to ensure fair compensation to electrical customers and create an incentive for more investment in storage for distributed energy, thereby moving Hawaii closer to achieving its clean energy goals, by requiring electric utilities that use a time-of-use feature in their rate structure to include a credit to the eligible customer-generator for any net electricity produced during peak hours of usage.

The Alliance for Solar Choice, Hawaii Solar Energy Association, Blue Planet Foundation, Sierra Club of Hawaii, and a concerned individual supported this measure. Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and a concerned individual opposed the measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs submitted comments.

Your Committee has amended this measure by:

(1) Clarifying that the Public Utilities Commission shall make the determination regarding electric utilities' use of a time-of-use feature in their rate structure and the credit to be given to eligible customer-generators for



any net electricity produced during peak hours of usage; and

(2) Expressly requiring the Public Utilities Commission to effectuate the intent of this provision.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1730, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1730, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

HB1730 HD1 HSCR EEP HMS 2016-1930

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

CHRIS LEE, Chair

HSCR 442-16

State of Hawaii House of Representatives The Twenty-eighth Legislature

Record of Votes of the Committee on Energy & Environmental Protection

| Bill/Resolution No.: HB 1730 | Committee Referral: EEP, CPC | | Date: 2-9-10 | | |
|---|---------------------------------|-----------|--------------|---------------------------------------|--|
| □ 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) | | | | | |
| EEP Members | Ayes | Ayes (WR) | Nays | Excused | |
| 1. LEE, Chris (C) | | | | | |
| 2. LOWEN, Nicole E. (VC) | | | | | |
| 3. CULLEN, Ty J.K. | | | | | |
| 4. EVANS, Cindy | | | | | |
| 5. ING, Kaniela | | | | | |
| 6. NISHIMOTO, Scott Y. | | | | | |
| 7. SAY, Calvin K.Y. | | | | | |
| 8. YAMANE, Ryan I. | | | | | |
| 9. POUHA, Feki | | | | | |
| 10. THIELEN, Cynthia | | | | · · · · · · · · · · · · · · · · · · · | |
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| TOTAL (10) | | Ø | Ø | D | |
| The recommendation is: Adopted If joint referral, did not support recommendation. | | | | | |
| Vice Chair's or designee's signature: Much E. C. | | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | | |