STAND, COM, REP. NO.

Honolulu, Hawaii

MAR 0 4 2016

RE: S.B. No. 2604 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2604 entitled:

"A BILL FOR AN ACT RELATING TO A MICROGRID PILOT PROJECT FOR SCHOOLS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Education to establish an off-grid microgrid pilot project through the Ka Hei Program.

Your Committee received written comments in support of this measure from the Board of Education, Department of Education, OpTerra Energy Services, and Hawaiian Electric Company.

Your Committee finds that the Department of Education incurs significant electricity costs, partially due to the need to provide heat abatement for an improved learning environment. Additionally, many Department of Education schools serve as emergency shelters and are vulnerable to power grid failures during an emergency.

Your Committee also finds that microgrids are a group of interconnected loads and distributed energy within defined electrical boundaries that can act as single controllable entities with respect to the power grid. Using microgrids to provide energy to Department of Education schools can lower utility costs, provide reliable energy during emergencies, and help the State progress toward its renewable portfolio standard goal of one

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hundred per cent by 2045. While the Department of Education may not be able to install and use microgrids at all public schools immediately, the establishment of a microgrid pilot project will provide the department with the information it needs to eventually install and use microgrids across all public schools effectively and efficiently.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2604, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2604, S.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

KUDA, Chair



The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral: Date: , /				
53 2604	EDU/TRE, WAM 2/26/2016				
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
TOKUDA, JIII N. (C)		V			
DELA CRUZ, Donovan M. (VC)					$\overline{\checkmark}$
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					$\overline{\mathbf{v}}$
GALUTERIA, Brickwood					$\overline{}$
HARIMOTO, Breene					V
INOUYE, Lorraine R.			$\overline{\mathbf{v}}$		
RIVIERE, Gil		V			
TANIGUCHI, Brian T.					
WAKAI, Glenn					
SLOM, Sam					
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TOTAL		6	1	<u>_</u>	4
Recommendation:					
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

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