STAND. COM. REP. NO. 570

Honolulu, Hawaii , 2017 February 17

RE: H.B. No. 1248 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and Economic Development & Business, to which was referred H.B. No. 1248 entitled:

"A BILL FOR AN ACT RELATING TO MICROGRIDS,"

beg leave to report as follows:

The purpose of this measure is to authorize the establishment of microgrid demonstration projects for the generation, storage and distribution of renewable energy.

The Natural Energy Laboratory of Hawaii Authority, Energy Research Systems, League of Women Voters of Hawaii, Life of the Land, Ulupono Initiative, and Distributed Energy Resources Council of Hawaii supported this measure. Holu Energy supported the intent of this measure. Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company opposed this measure. The Public Utilities Commission provided comments.

Your Committees have amended this measure by:

(1)Requiring the Natural Energy Laboratory of Hawaii Authority to establish a microgrid advisory committee to provide guidelines and advice on matters relating to its microgrid demonstration project;



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- (2) Removing the designation for the Kalaeloa Community Development District to be a microgrid demonstration project;
- (3) Requiring any power sold by a microgrid demonstration project to be at a price equal to or less than the utility rates established by the Public Utilities Commission; and
- (4) Changing its effective date to January 28, 2081, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1248, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1248, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committees on Energy & Environmental Protection and Economic Development & Business,

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MARK M. NAKASHIMA, Chair

CHRIS LEE, Chair



## State of Hawaii



House of Representatives The Twenty-ninth Legislature Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 1248	Committee EEP/E	Referral: DB,CPC	Date	= 2/14	/17			
$\theta$ The committee is reconsidering its previous decision on the measure.								
The recommendation is to: $\theta$ Pass, unamended (as is) $\theta$ Pass, with amendments (HD) $\theta$ Hold $\theta$ Pass short form bill with HD to recommit for future public hearing (recommit)								
EEP Members		Ayes	Ayes (WR)	Nays	Excused			
1. LEE, Chris (C)		V						
2. LOWEN, Nicole E. (VC)								
3. CULLEN, Ty J.K.								
4. EVANS, Cindy				at in the strengthere is the second				
5. ICHIYAMA, Linda	The state of the s		•		na tanan ika ta			
6. KONG, Sam Satoru								
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7. SAY, Calvin K.Y.								
8. YAMANE, Ryan I.								
9. FUKUMOTO, Beth								
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TOTAL (9)		7	2	Ø	ð			
The recommendation is:  X  Adopted  θ  Not Adopted    If joint referral,								
Vice Chair's or designee's signature: Midle E. Lowen								
<b>Distribution:</b> Original (White) – Co	Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

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

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EDB Members	Ayes	Ayes (WR)	Nays	Excused			
1. NAKASHIMA, Mark M. (C)	/						
2. KEOHOKALOLE, Jarrett (VC)			······	E			
3. HOLT, Daniel							
4. JOHANSON, Aaron Ling							
- JOHANSON, Aalon Ling							
5. TAKUMI, Roy M.							
			- CATANISARIA SECTOR				
6. YAMASHITA, Kyle T.			1000 XA-761 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	and a sublime of the state of the			
7. MATSUMOTO, Lauren Kealohilani							
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TOTAL (7)	6			l			
The recommendation is:    θ Adopted    θ Not Adopted      If joint referral,							
Vice Chair's or designee's signature:							
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