STAND. COM. REP. NO.

Honolulu, Hawaii March 19, 2017

RE: H.C.R. No. 112 H.D. 1

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

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.C.R. No. 112 entitled:

"HOUSE CONCURRENT RESOLUTION ENCOURAGING THE GOVERNOR TO WORK WITH THE LEGISLATURE TO DEVELOP A HAWAII GREEN INITIATIVE FOR FUELS TRANSITION TO COINCIDE WITH INCREASED LOCAL FOOD PRODUCTION, "

begs leave to report as follows:

The purpose of this measure is to encourage the significant growth, development, intensification, and expansion of agriculture by encouraging the Governor to work with the Legislature to develop a Hawaii Green Initiative for Fuels Transition to coincide with increased local food production.

For purposes of a public hearing on this measure, your Committees circulated a Proposed H.C.R. No. 112, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the Proposed Draft. The Proposed Draft amended this measure by:

(1) Amending its title to read: "REQUESTING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH PERFORMANCE BASED REVENUE MECHANISMS THAT DIRECTLY TIE AN ELECTRIC UTILITY'S REVENUES TO THE UTILITY'S ACHIEVEMENT ON PERFORMANCE METRICS.";



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- (2) Deleting the contents of the measure; and
- (3) Inserting language requesting the Public Utilities Commission to:
 - (A) Establish performance incentive and penalty mechanisms that directly tie an electric utility's revenues to the utility's achievement on performance metrics; and
 - (B) Submit a status report on the establishment of the performance incentive and penalty mechanisms and any proposed legislation to the legislature 20 days prior to the convening of the Regular Session of 2018.

Healthy Climate Communities and many individuals supported the Proposed Draft. One individual opposed the Proposed Draft. The Public Utilities Commission and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs provided comments on the Proposed Draft.

Your Committee has amended this measure by adopting the Proposed Draft.

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 concurs with the intent and purpose of H.C.R. No. 112, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.C.R. No. 112, H.D. 1.

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

let. Fren for



State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HCR 112	Committee EEP	Referral: , FIN	Date	3/21/1	7
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: U Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
EEP Membe	ers	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)		J			
2. LOWEN, Nicole E. (VC)		\checkmark			
3. CULLEN, Ty J.K.					
4. EVANS, Cindy					
4. EVANS, Chidy					
5. ICHIYAMA, Linda	<u>a merakak darintari b</u> i	ge hjertter efter in			
6. KONG, Sam Satoru		 			
7. SAY, Calvin K.Y.		J			and a state converse of a state of
			n an		
8. YAMANE, Ryan I.		\checkmark			
9. FUKUMOTO, Beth					
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TOTAL (9)		1			2
The recommendation is:	Adopted If joint referral,	Not Adopted 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					