Honolulu, Hawaii

MAR 0 3 2017

RE: S.B. No. 909

S.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 909, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to promote energy security in the State.

Specifically, the measure:

- (1) Amends sections of Hawaii's fuel shortage response and energy emergency statutes to remove deficiencies; and
- (2) Provides policy guidance on preparing for and responding to an actual or potential energy supply disruption or shortage, preserving the State's energy security, and ensuring that fuel products and energy resources are made available to emergency services and the public in an orderly, efficient, and safe manner.

The Department of Transportation; the Department of Accounting and General Services; the Department of Business, Economic Development, and Tourism; Hawaii Natural Energy Institute; The Maritime Group, LLC; and Par Hawaii submitted written comments in support of this measure.

The Office of Information Practices submitted written comments on this measure.

Your Committee believes that it is vital for governmental officials to have proper guidance if an energy supply disruption or shortage occurs to ensure that energy resources are protected and maintained. In case of an energy crisis, it is essential that emergency services and the public can access energy resources in an orderly and well-defined manner. Your Committee finds that the State's decades-old petroleum shortage statutes no longer align with government and industry energy emergency best practices, nor do they adequately enable the State to successfully develop the technical and analytic perspective necessary for situational awareness of the State's energy resources under a state of emergency. Your Committee finds that this measure provides policy guidance to better address exposure to energy supply disruption risk over the next decade.

Your Committee has amended this measure by:

- (1) Removing the definition of "commission," because the term is not used in the measure;
- (2) Moving the placement of the proviso within the definition of "distributor" to clarify that the proviso applies to the entire definition; and
- (3) Making a technical amendment for the purpose of clarity.

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. 909, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 909, S.D. 2.

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

JILL N. TOKUDA, Chair

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
3B 909, SDI	TRE/PSM/CPH, WAM 24 Feb 2017			2017	
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, Jill N. (C)					
DELA CRUZ, Donovan M. (VC)					
ENGLISH, J. Kalani					
GALUTERIA, Brickwood		/			
HARIMOTO, Breene			<u></u>	· · · · · · · · · · · · · · · · · · ·	
INOUYE, Lorraine R.					
KAHELE, Kaiali'i					
RIVIERE, Gil				·	
SHIMABUKURO, Maile S.L.					
TANIGUCHI, Brian T.					
WAKAI, Glenn					
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		. 13			
TOTAL		10			
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
L'Eller SSS					
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