STAND. COM. REP. NO. **202** -18

Honolulu, Hawaii

February 9 , 2018

RE: H.B. No. 2431 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2431 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to require the Public Utilities Commission to establish performance incentive and penalty mechanisms to incentivize electric utilities to achieve the State's energy goals as they may apply to the regulation of electric utility rates.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Blue Planet Foundation, Hawaii Solar Energy Association, and several concerned individuals supported this measure. The Hawaiian Electric Company, Maui Electric Company, and Hawaii Electric Light Company opposed this measure. The Public Utilities Commission offered comments.

Your Committee has amended this measure by changing its effective date to January 28, 2045, to facilitate further discussion.

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. 2431, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2431, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

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.:	Committee Referral:	Date:		
HB 2431	EEP, CPC, FI	IN 2/	6/2018	
☐ 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)				
			A STATE OF THE STA	
2. LOWEN, Nicole E. (VC)				
3. CULLEN, Ty J.K.				
J. CULLETT, Ty J.K.			Jan. 1985	
4. KONG, Sam Satoru	ys mad Essectivate of other landing and facilities as			
5. McKELVEY, Angus L.K.				
6. TODD, Chris			Maria Maria	
7 NAMANE Duon I				
7. YAMANE, Ryan I.				
8. MCDERMOTT, Bob				
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TOTAL (8)	7	Ø	Ø	
The recommendation is:  Adopted  If joint referral, 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				