

Honolulu, Hawaii

FEB 12 , 2020

RE: H.B. No. 1242  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1242 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require gas utility companies to establish renewable energy portfolio standards (RPS) for gas;
- (2) Provide a means for gas utility companies to recover incurred costs to achieve the RPS for gas; and
- (3) Specifies certain events or circumstances that would allow for a deviation from the RPS.

Your Committee received testimony in support of this measure from Hawaiian Electric, Life of the Land, 350Hawaii.org, Blue Planet, EcoTipping Points Project, Surfrider Oahu, and eleven individuals. Your Committee received testimony in opposition to this measure from the Hawaii Teamsters & Allied Workers, Local 996, Chamber of Commerce Hawaii, and numerous individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs' Division of Consumer Advocacy, Hawaii State Energy Office, Public Utilities Commission,



University of Hawaii System, Hawaii Gas, Par Hawaii, and Sierra Club of Hawaii.

Your Committee finds that the creation of a gas RPS is consistent with Hawaii's goals to reduce dependence on fossil fuels and transition to energy sources that produce less greenhouse gases. To align Hawaii's gas utilities with the transition toward renewable energy, goal setting and information regarding the availability, feasibility, and costs of the use of renewable gas in Hawaii by gas utility companies are both necessary.

Your Committee has amended this measure by:

- (1) Removing the gas RPS goals for 2025, 2030, and 2040, retaining only the one hundred percent gas RPS goal for December 31, 2045;
- (2) Amending the scope of the gas RPS study to be conducted by the Public Utilities Commission;
- (3) Requiring the Public Utilities Commission to contract with the University of Hawaii to conduct the study;
- (4) Inserting an appropriation for the gas RPS study;
- (5) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1242, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1242, 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,

*Nicole E. Lowen*

NICOLE E. LOWEN, Chair



