Honolulu, Hawaii

MAR 2 2 2019

RE: H.B. No. 1583

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committees on Education and Energy, Economic Development, and Tourism, to which was referred H.B. No. 1583, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC GRID RESILIENCY," beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Department of Education to establish a pilot program in at least four schools to install renewable energy systems capable of providing backup power in the event of a natural disaster or other similar emergency; and
- (2) Require the Public Utilities Commission to consider in its current and ongoing proceedings ways to incentivize the implementation of renewable energy systems in public schools.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Education, and Public Utilities Commission.

Your Committees find that Hawaii's residents and businesses are vulnerable to disruptions in the State's energy systems caused by extreme weather events or other disasters. In many areas of the State, Hawaii residents and visitors rely on public school structures that serve as designated shelters during disaster events.

Your Committees further find that many public schools have begun to install renewable energy systems in order to meet the State's goal for public schools to become net-zero in regard to energy use by the year 2035. This measure provides incentives for the Department of Education to invest in such systems and encourages the Public Utilities Commission to consider ways to incentivize the implementation of renewable energy systems in public schools.

Your Committees have amended this measure by:

- (1) Removing the requirement that the renewable energy system established by the Department of Education be capable of continuously providing backup power;
- (2) Removing the mandate that the Department of Education conduct a pilot program in at least four schools;
- (3) Authorizing the Department of Education to evaluate the feasibility and cost-benefit of renewable powered backup system at one facility;
- (4) Authorizing the Natural Energy Laboratory of Hawaii to establish a microgrid demonstration project;
- (5) Authorizing the Department of Transportation to perform a microgrid feasibility and cost-benefit analysis at an appropriate facility with an existing or proposed renewable energy system that is capable of providing backup electrical power;
- (6) Expanding the consideration of the Public Utilities
 Commission to include feasibility, cost-benefit, and
 possible ways to incentivize installation of renewable
 energy backup systems in public facilities by
 incorporating findings and data reported from the public

facility microgrid evaluations and pilot programs authorized in this measure;

- (7) Updating the purpose section to reflect the amendments made to this measure; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1583, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1583, H.D. 2, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Ways and Means.

> Respectfully submitted on behalf of the members of the Committees on Education and Energy, Economic Development, and Tourism,

Chai GLENN



The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	Committee Referral:			Date:						
HB1583, HD2	EDU/EET, CPH/WAU 3/20/19					19				
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 (WI	R) i	Nay	Excused				
KIDANI, Michelle N. (C)		$\overline{}$								
KIM, Donna Mercado (VC)						V _				
DELA CRUZ, Donovan M.										
KANUHA, Dru Mamo										
FEVELLA, Kurt										
TOTAL		3				2				
Recommendation: Adopted Not Adopted										
Chair's or Designee's Signature:										
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy										

*Only one measure per Record of Votes

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

Bill / Resolution No.:*	Committee Referral:			Date:						
HB 1583 HD2	504/EET, CPH/NAM 3/20/19									
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 Pass 2311 2310 2313										
Members		Aye	Aye (WR)	Nay	Excused					
WAKAI, Glenn (C)		×								
TANIGUCHI, Brian T. (VC)					X					
INOUYE, Lorraine R.					\sim					
KEOHOKALOLE, Jarrett		×								
FEVELLA, Kurt		×								
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	111.74 0									
TOTAL		3			7					
Recommendation:										
Adopted Not Adopted										
Chair's or Designee's Signature:										
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