

STAND. COM. REP. NO.

583

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 550  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 550, H.D. 1, 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 the public utilities commission to study the feasibility of implementing renewable portfolio standards to encourage the use of renewable energy by gas utility companies;
- (2) Amend the renewable portfolio standard interim goals for 2030 and 2040 to accelerate the adoption of renewable energy; and
- (3) Appropriate funds for the required study.

The Department of Business, Economic Development & Tourism, a Councilmember of the Maui County Council, Hawaii Solar Energy Association, Hawaii Teamsters and Allied Workers, Local 996, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Elemental Excelerator, Organizing for Action, Land Use Research Foundation of Hawaii, Blue Planet Foundation, Ulupono Initiative, Healthy Climate Communities, and several individuals

HB550 HD1 HSCR CPC HMS 2019-2145



testified in support on this measure. Hawaiian Electric Company, Inc. and its subsidiary utilities Maui Electric Company, Ltd. and Hawai'i Electric Light Company, Inc., Hawaii Gas, Kaua'i Chamber of Commerce, 350Hawaii.org, The Chamber of Commerce Hawaii, and many individuals testified in opposition. The Public Utilities Commission, Department of Commerce and Consumer Affairs, Hawai'i Natural Energy Institute, We Are One, Inc., Life of the Land, and a few individuals provided comments.

Your Committee notes that concerns were raised in testimony regarding the calculation of the renewable portfolio standard (RPS). Specifically, under the current calculation of RPS, only sales of electrical energy are used to determine RPS. However, this current calculation does not account for all renewable electrical energy that is generated, which underinflates the RPS calculation. If the total renewable electrical energy is taken into account in the calculation of RPS, the RPS calculation would increase by 10 percent. As such, future consideration of these concerns by the Public Utilities Commission and the Hawai'i Natural Energy Institute may be prudent to evaluate the impacts of an amended RPS calculation that accounts for total renewable electrical energy generated, including the potential fiscal impacts to consumers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 550, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROY M. TAKUMI, Chair



**HSCR 583**

**Record of Votes of the Committee on Consumer Protection & Commerce**

<b>Bill/Resolution No.:</b> HB 550 HD1	<b>Committee Referral:</b> EED, CPC, FIN	<b>Date:</b> 2/12/19		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. BELATTI, Della Au				✓
5. CABANILLA ARAKAWA, Rida	✓			
6. CACHOLA, Romy M.	✓			
7. HAR, Sharon E.	✓			
8. KONG, Sam Satoru		✓		
9. MIZUNO, John M.				✓
10. ONISHI, Richard H.K.		✓		
11. MATSUMOTO, Lauren	✓			
<b>TOTAL (11)</b>	7	2	0	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> <u><i>Tracy Chizome</i></u>				
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