STAND. COM. REP. NO. 2671

Honolulu, Hawaii

FEB 1 8 2022

RE: S.B. No. 2584 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism, to which was referred S.B. No. 2584 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to direct the Public Utilities Commission to adopt guidelines for interconnection applications that would trigger distribution, transmission, or other utility infrastructure upgrade costs in excess of a threshold determined by the Commission.

Your Committee received testimony in support of this measure from the Hawaii Solar Energy Association. Your Committee received testimony in opposition to this measure from the Building Industry Association of Hawaii and Hawaiian Electric Company, Inc. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Public Utilities Commission, Hawai'i State Energy Office, and Tesla.

Your Committee finds that Hawaii electric utilities currently invest in grid infrastructure based on the assumption that one hundred percent of the estimated customer load from new home and commercial development will be served by the electrical grid. However, much of the electrical demand from new developments will be met through onsite distributed energy sources. This measure



directs the Public Utilities Commission to adopt guidelines for electric utilities to integrate and leverage distributed energy resources.

Your Committee has amended this measure by:

- Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2584, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2584, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on behalf of the members of the Committee on Energy, Economic Development, and Tourism,
GLENN WAKAI, Chair



The Senate Thirty-First Legislature State of Hawaiʻi

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

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	
WAKAI, Glenn (C)			<u>.</u>		
MISALUCHA, Bennette E. (VC)					
LEE, Chris					
RIVIERE, Gil					
FEVELLA, Kurt					
<u> </u>					
TOTAL	Z	ø	Ø	Ø	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Bennette Je Minlinh					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes