

STAND. COM. REP. NO.

1707

Honolulu, Hawaii

APR 04 2023

RE: S.R. No. 143

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.R. No. 143 entitled:

"SENATE RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO MOVE BEYOND CURRENT RATE STRUCTURES AND PROVIDE ADDITIONAL BENEFITS FOR THOSE COMMUNITIES THAT HOST RENEWABLE ENERGY PROJECTS,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Public Utilities Commission to move beyond current rate structures and provide additional benefits for those communities that host renewable energy projects.

Your Committee received testimony in support of this measure from the Sierra Club of Hawai'i. Your Committee received comments on this measure from the Department of Commerce and Consumer Protection and Public Utilities Commission.

Your Committee finds that the State's growing need for clean energy has accelerated the development and construction of different renewable energy projects in more locations around the State, creating new jobs and opportunities for "host communities." Although these projects may boost the local economy, residents living in a community that hosts a large-scale renewable energy project often face a disruption in their lives due to the burdens of the energy infrastructure. Residents of the State living in



communities that host large-scale renewable energy projects are charged a flat rate for energy by their providers, regardless of their proximity to these energy-producing projects and benefit packages provided by developers to these communities are often not enough to provide them with fair compensation. Communities around the State should be encouraged to host more large-scale renewable energy projects. Favorable energy rates and the provision of direct benefits to host communities can help encourage community buy-in and investment. The Public Utilities Commission has the oversight of and authority to influence the rate structures of energy providers. Therefore, this measure supports the State's goals to advance energy equity and the timely transition to a renewable energy future. Your Committee further notes that the Public Utilities Commission has also been requested to examine providing retroactive benefits for communities that already host existing renewable energy projects.

Your Committee has amended this measure by:

- (1) Clarifying that the Public Utilities Commission is requested to revise, rather than move beyond, current rate structures for those communities that host renewable energy projects; and
- (2) Amending its title accordingly.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 143, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 143, S.D. 1.

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



JARRETT KEOHOKALOLE, Chair



