

Honolulu, Hawaii

MAR 21 2024

RE: H.B. No. 2738
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Government Operations and Energy, Economic Development, and Tourism, to which was referred H.B. No. 2738, H.D. 2, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize state agencies to:
 - (A) Prepare and submit a report assessing the feasibility of installing distributed energy resource systems at each state facility;
 - (B) Implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports; and
 - (C) Assign priority for the authorized energy efficiency measures to first responder facilities; and
- (2) Authorize applicable state agencies to assess the feasibility of developing resilience hubs that can



provide emergency services and be open to the general public during times of emergency.

Your Committees received testimony in support of this measure from the Green Party of Hawai'i, Kauai Climate ACTION Coalition, Chamber of Sustainable Commerce, Greenpeace Hawaii, Hawaii Chapter of 350.org, Hawaii Solar Energy Association, Climate Protectors Hawai'i, and seventeen individuals.

Your Committees received comments on this measure from the Department of Accounting and General Services and Hawaii State Energy Office.

Your Committees find that on-site, distributed energy resources not only reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption, but also provide affordable and resilient power for Hawaii's energy system users. Your Committees note that the installation of these resources, such as rooftop solar and battery storage, at state facilities would not only result in cost-savings but also help the State meet its clean energy goals. Your Committees further note that on-site, distributed energy resources at first responder facilities are integral to ensuring that essential government services can continue to be provided despite disruptions to the electric grid. This measure will build the State's resilience towards the effects of climate change and enable it to prepare for emergencies where there are disruptions to the electric grid and port activity.

Your Committees have amended this measure by:

- (1) Requiring, rather than authorizing, state agencies to:
 - (A) Prepare and submit a report assessing the feasibility of installing distributed energy resource systems at each state facility;
 - (B) Implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports; and



- (C) Assign priority for the authorized energy efficiency measures to first responder facilities;
- (2) Clarifying that the reports prepared by state agencies shall be submitted to the Legislature;
 - (3) Requiring, rather than authorizing, applicable state agencies to assess the feasibility of developing resilience hubs that can provide emergency services and be open to the general public during times of emergency;
 - (4) Amending references to "energy efficient measures" to "cost-effective energy efficient measures";
 - (5) Defining "cost-effective energy efficient measures" to mean any energy efficiency measure where the cost of the energy efficiency measure is equal to or less than the estimated savings over a period of twenty years or the life of the installed components, whichever is less;
 - (6) Deleting language that defines "first responder facilities" and inserting language that defines "first responder";
 - (7) Amending section 1 to reflect its amended purpose;
 - (8) Inserting an effective date of July 1, 2112, to encourage further discussion; and
 - (9) 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 Government Operations 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. 2738, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2738, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Government
Operations and Energy, Economic
Development, and Tourism,




LYNN DECOITE, Chair



ANGUS L.K. MCRELVEY, Chair

The Senate
 Thirty-Second Legislature
 State of Hawai'i

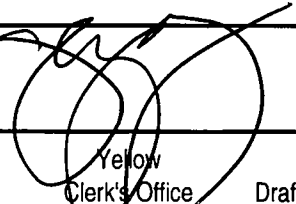
Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2738 HD2	GVO/EET, NAM	March 14, 2024		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.	✓			
WAKAI, Glenn	✓			
AWA, Brenton	✓			
TOTAL	5	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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
Thirty-Second Legislature
State of Hawai'i

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

Bill / Resolution No.:	Committee Referral:	Date:		
HB 2738, HD 2	GVOI EET, WAM	3-14-24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
FEVELLA, Kurt				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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				

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