

Honolulu, Hawaii

**FEB 13 2024**

RE: S.B. No. 3194  
S.D. 1

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

Sir:

Your Committee on Energy, Economic Development, and Tourism,  
to which was referred S.B. No. 3194 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize independent generators of renewable energy to wheel the renewable electricity they produce to users of renewable energy under administrative rules established by the Public Utilities Commission.

Your Committee received testimony in support of this measure from the Blue Planet Foundation; Hawaii Solar Energy Association, Inc.; Tawhiri Power, LLC; Tigershark, LLC; and one individual.

Your Committee received testimony in opposition to this measure from Kaua'i Island Utility Cooperative.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; Ulupono Initiative, LLC; and Hawaiian Electric.

Your Committee finds that to achieve the State's renewable energy and resilience goals, the State needs a diverse portfolio of renewable energy assets from a variety of sources and at a variety of scales. Your Committee further finds that through



retail wheeling, users of renewable energy, including affordable housing developments, the State, and the counties, could acquire clean electricity by purchasing and transmitting it from a clean electricity project developer. This measure authorizes retail wheeling and will support the State in adopting mechanisms to increase competition in local electricity markets, expand customer utility choice, and provide pathways for renewable energy innovation and generation.

Your Committee has amended this measure by:

- (1) Delaying the date by which the Public Utilities Commission shall have established policies and procedures to implement retail wheeling, from 2024 to 2025;
- (2) Inserting an effective date of January 1, 2060, to encourage further discussion; and
- (3) 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. 3194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3194, 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,

  
LYNN DECOITE, Chair



