

STAND. COM. REP. NO.

624

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 1154
S.D. 1

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

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred S.B. No. 1154 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize government agencies to wheel electricity that is produced by their own facilities from renewable energy sources to another government entity, subject to certain conditions determined by the Public Utilities Commission.

Your Committees received testimony in support of this measure from Ulupono Initiative, Sustainable Energy Hawai'i, and two individuals. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. and International Brotherhood of Electrical Works Local Union 1260. Your Committees received comments on this measure from Public Utilities Commission, Department of Commerce and Consumer Affairs, Life of the Land, and Kaua'i Island Utility Cooperative.

Your Committees find that facilities such as the University of Hawaii Maui College and nine other campuses across the State have photovoltaic systems installed on their parking shade structures and rooftops. However, the excess electricity generated at these facilities is wasted because there is no system



that allows wheeling of the surplus clean energy to another connected facility. Your Committees believe that the production of clean energy may be encouraged if government agencies, as sellers of clean electricity, are allowed to engage in intragovernmental wheeling, in which electric power is transmitted from one agency's power generation to the facilities of other governmental agencies over the existing transmission lines of a third-party electric public utility. This measure will help the State meet its renewable energy goals by authorizing government agencies to wheel electricity that is produced by their own facilities from renewable energy sources to another government entity, subject to certain conditions determined by the Public Utilities Commission.

Your Committees have amended this measure by:

- (1) Requiring the Public Utilities Commission to implement the provisions of this measure either by order of the commission or by rules pursuant to chapter 91, Hawaii Revised Statutes;
- (2) Inserting language exempting member-owned cooperatives from the authorization of government agencies to wheel electricity that is produced by their own facilities from renewable energy sources; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

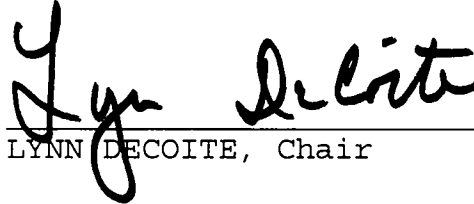
As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1154, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1154, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.



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



ANGUS L.K. MCKELVEY, Chair



LYNN DECOITE, Chair



