STAND. COM. REP. NO. 746

Honolulu, Hawaii

FEB 2 7 2025

RE: S.B. No. 133

S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 133, S.D. 1, 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 state facilities to wheel electricity that is produced from renewable energy sources to other state facilities, pursuant to administrative rules established by the Public Utilities Commission.

Your Committee received testimony in support of this measure from one individual.

Your Committee received testimony in opposition to this measure from Kaua'i Island Utility Cooperative, Hawaiian Electric, IBEW Local 1260, and Life of the Land.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Public Utilities Commission, Hawaii State Energy Office, and Ulupono Initiative.

Your Committee finds that the State continues to rely heavily on imported petroleum for its energy needs, falling short of its renewable energy goals. State facilities could acquire clean electricity generated by another state facility and transmitted through an existing electric utility's lines to other state agencies through intragovernmental wheeling. This measure allows state facilities to engage in intragovernmental wheeling as producers and sellers of clean electricity, as determined by the Public Utilities Commission.

Your Committee has amended this measure by:

- (1) Clarifying that the Public Utilities Commission shall establish policies and procedures to implement wheeling by no later than December 31, 2026, if determined by the Commission to be in the public interest;
- (2) Inserting an effective date of July 1, 2050, 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 Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 133, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 133, S.D. 2.

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

JAPAPIT RECHOKALOLE, Chair

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SB \ 33 SD \	Committee Referral: Date: 2/20/25				
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
KEOHOKALOLE, Jarrett (C)		V			
FUKUNAGA, Carol (VC)		V			
MCKELVEY, Angus L.K.		V			
RICHARDS, III, Herbert M. "Tim"					✓
AWA, Brenton		V			
			1		1
TOTAL		4			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Oure Julinaga					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod port Clerk's Office Drafting Agency Committee File Copy				

^{*}Only one measure per Record of Votes