

STAND. COM. REP. NO.

1246

Honolulu, Hawaii

MAR 14 , 2025

RE: S.B. No. 137  
S.D. 2  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Energy & Environmental Protection, to which  
was referred S.B. No. 137, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC UTILITIES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Public Utilities Commission to consider whether approving a proposed merger or acquisition of an electric utility company would or would not further the State's renewable energy goals;
- (2) Prohibit the acquiring entity of an electric utility company from terminating or attempting to renegotiate any existing and valid power purchase agreements and require the acquiring entity to assume and be bound by existing collective bargaining agreements and retain all covered employees; and
- (3) Establish a process to ensure that when an application for the proposed acquisition, merger, or consolidation of an electric utility company is filed by an acquiring entity that is an investor-owned utility, alternative bona fide applications from entities that operate under

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a non-investor-owned utilities ownership model are concurrently considered.

Your Committee received testimony in support of this measure from the International Brotherhood of Electrical Workers Local Union 1260; Ulupono Initiative; and AES Hawai'i. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; Life of the Land; and Hawaiian Electric.

Your Committee finds that the State should ensure that the acquisition, merger, or consolidation of an electric utility company does not adversely impact the State's progress toward its renewable energy goals and that proper processes are in place to ensure that bids from non-investor-owned utilities are also considered.

Your Committee has amended this measure by:

- (1) Amending the process for the acquisition, merger, or consolidation of electric utility companies by requiring the electric utility to demonstrate that it solicited bids from potential acquiring entities that operate under non-investor-owned utilities ownership models and submit acceptable bids from such entities concurrently with an application by an acquiring entity that is an investor-owned utility;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 137, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 137, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,

*Nicole E. Lowen*

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NICOLE E. LOWEN, Chair



