STAND. COM. REP. NO. 3522

Honolulu, Hawaii

APR 0 8 2026

RE: S.C.R. No. 166
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.C.R. No. 166 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO ENSURE THAT CERTAIN CONDITIONS ARE MET BEFORE APPROVING ANY INFRASTRUCTURE, OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS RELATING TO SUPPLYING AND USING LIQUEFIED NATURAL GAS,"

begs leave to report as follows:

The purpose and intent of this measure is to request that the Public Utilities Commission ensure that certain conditions are met before approving any costs of infrastructure, operations, maintenance, fuel, or other costs relating to supplying and using liquefied natural gas.

Your Committee received testimony in support of this measure from Imua Alliance.

Your Committee received testimony in opposition to this measure from Jera Americas Inc. and one individual.

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



Your Committee finds that recent modeling may have overstated the potential savings from the use of liquefied natural gas for power generation in the State by $1,200,000,000. Your Committee further finds that liquefied natural gas may increase costs for consumers and can result in substantial greenhouse gas emissions due to methane leakage during extraction, processing, liquefaction, shipping, and regasification. This measure would encourage the Public Utilities Commission to make decisions regarding the use of liquefied natural gas for power generation prudently and in alignment with the State's long-term energy and climate goals.

Your Committee has amended this measure by:

(1) Inserting findings acknowledging that:

(A) Any investment in energy infrastructure for the State is a generational commitment;

(B) The Public Utilities Commission is mandated by law to consider increased renewable energy generation to reduce the State's fossil fuel reliance, however certain new renewable fuel sources may expose ratepayers to higher costs;

(C) The Public Utilities Commission has statutory authority to favorably consider costs related to renewable energy as an alternative to fossil fuels, although the introduction of a renewable fuel supply may lead to rate shock;

(D) A transition to alternative renewable fuel sources on one island in the State may have significant secondary impacts statewide;

(E) Reliance on costly or not-yet-commercially viable renewable fuel pathways that lead to higher prices may create pressure to delay, weaken, or otherwise modify the State's statutory renewable portfolio standards; and

(F) It is in the State's interest to ensure that near-term fuel decisions do not create economic or

political conditions that could jeopardize achievement of the 2045 renewable portfolio standard; and

(2) Deleting language that would have requested the Public Utilities Commission to:

(A) Ensure certain conditions are met before approving any infrastructure, operations, maintenance, fuel, or other costs relating to the supply and use of liquefied natural gas;

(B) Deny costs related to liquefied natural gas if certain conditions are met;

(C) Consider the effects of approving liquefied natural gas on renewable energy development; and

(D) Consider the risks and costs of stranded assets and reliance on a single fuel supply when making determinations on the reasonableness of costs pertaining to capital improvements and operations;

(3) Inserting language that requests the Public Utilities Commission to:

(A) Take certain actions when making any determination relating to a generational energy commitment for the State; and

(B) Devalue any proposal involving liquefied natural gas that may increase the likelihood of efforts to delay, weaken, or otherwise modify the State's statutory renewable portfolio standards, including the 2045 deadline; and

(4) Amending its title accordingly.

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 concurs with the intent and purpose of S.C.R. No. 166, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 166, S.D. 1.

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

JARRETT KEOHOKALOLE, Chair

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SCR 166	CPN	04/02/2026

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312 ☑ Pass, with amendments 2311 ☐ Hold 2310 ☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
LAMOSAO, Rachele				✓
MCKELVEY, Angus L.K.	✓			
AWA, Brenton	✓			
TOTAL	4			1

Recommendation: ☑ Adopted ☐ Not Adopted

Chair's or Designee's Signature:

Carol Fukunaga

Distribution: Original — File with Committee Report; Yellow — Committee; Pink — Drafting Agency

*Only one measure per Record of Votes

Revised: 01/02/26