

Honolulu, Hawaii
APR 01 , 2026

RE: H.R. No. 196
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Energy & Environmental Protection, to which was referred H.R. No. 196 entitled:

"HOUSE RESOLUTION REQUESTING THE HAWAII STATE ENERGY OFFICE TO CONVENE A WORKING GROUP TO STUDY THE POTENTIAL IMPACTS OF LARGE DATA CENTERS ON HAWAII'S ELECTRIC UTILITIES, RATEPAYERS, NATURAL RESOURCES, AND CLIMATE GOALS,"

begs leave to report as follows:

The purpose of this measure is to request the Hawaii State Energy Office to convene a working group to study the potential impacts of large data centers on Hawaii's electric utilities, ratepayers, natural resources, and climate goals.

Your Committee received testimony in support of this measure from Climate Protectors Hawai'i. Your Committee received comments on this measure from the Hawai'i State Energy Office and Public Utilities Commission.

Your Committee finds that advances in artificial intelligence and cloud computing have led to an increase in large-scale data centers that house thousands of servers and require massive amounts of electricity to operate. Your Committee further finds that the rapid growth of these data centers has raised concerns regarding new power loads and grid infrastructure investments and the impacts of such investments on ratepayers. While your



Committee recognizes that Hawaii has not yet received proposals for large-scale data centers, it is prudent for the State to proactively evaluate regulatory frameworks and safeguards to ensure future data center developments do not burden ratepayers. Accordingly, this measure establishes a working group to evaluate the impact of certain large data centers on Hawaii's utilities, ratepayers, and environment.

Your Committee has amended this measure by specifying that the working group is requested to study the potential impacts of large data centers requiring electricity of five megawatts or more in instantaneous demand.

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 concurs with the intent and purpose of H.R. No. 196, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.R. No. 196, H.D. 1.

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



NICOLE E. LOWEN, Chair



