

Honolulu, Hawaii

MAR 20 , 2026

RE: S.B. No. 3326
S.D. 2
H.D. 1

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

Madame:

Your Committees on Energy & Environmental Protection and Labor, to which was referred S.B. No. 3326, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Require the Public Utilities Commission to conduct a study on the separation of ownership and control of electric energy generation services from transmission and distribution services; and
- (2) Authorize the Public Utilities Commission to adopt rules to require separation of ownership and control of these services and establish and implement a restructured electric industry in which electric generation services are open to competition and provided by entities not under common ownership or control.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from Hawaiian Electric; International Brotherhood of Electrical Workers Local 1260; Sierra Club of Hawai'i; and Land Use Research Foundation of Hawaii. Your



Committees received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; and Life of the Land.

Your Committees find that there is an urgent need to assess Hawaii's energy future and ensure that ratepayers are not overburdened by high energy costs. Your Committees recognize the need for the Public Utilities Commission to conduct a broader, more open-ended study to analyze ways that the State can reduce costs for ratepayers in order to ensure that the best potential pathway is identified.

Accordingly, your Committees have amended this measure by deleting its contents and inserting language requiring the Public Utilities Commission to open a docketed proceeding to conduct a comprehensive, objective, and independent analysis of the State's energy pathways to identify the best potential paths for the State to maximize cost reduction and minimize financial risk to residents for energy services while meeting established state energy goals.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3326, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3326, 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
Committees on Energy &
Environmental Protection and
Labor,



JACKSON D. SAYAMA, Chair



NICOLE E. LOWEN, Chair



