

STAND. COM. REP. NO.

270

Honolulu, Hawaii

Feb 9, 2007

RE: H.B. No. 642
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 642 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require public utilities to obtain a certificate of public good from the Public Utilities Commission for the construction of any electric transmission or generation facility, prior to beginning site preparation or exercising the right of eminent domain.

The Department of Commerce and Consumer Affairs, the Public Utilities Commission, and Hawaiian Electric Company, Inc. offered comments and suggestions on this measure.

Life of the Land, Windward Ahupua'a Alliance, and the Sierra Club offered testimony in support of this measure.

Your Committee finds that protecting and promoting the public good is an important aspect of regulating utilities in the State. Your Committee also finds, however, that the Public Utilities Commission already uses a public hearing process to review public concerns. In light of this, your Committee finds that a more effective and efficient approach would be to consider issues of public good, such as energy efficiency and conservation, along with the other issues that arise during the current hearing process.

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Your Committee has amended the bill by deleting its contents and adding a new section to chapter 269, Hawaii Revised Statutes, that requires energy conservation, energy efficiency, and load management to be reviewed concurrently with the commission's existing review process.

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 H.B. No. 642, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 642, H.D. 1, and be referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

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

Hermina Morita

HERMINA MORITA, Chair



