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A BILL FOR AN ACT

RELATING TO ENERGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that renewable energy
 projects can provide substantial and long-term benefits to the
 State. Development of renewable energy projects would further
 state policies of developing indigenous renewable energy
 resources and decreasing Hawaii's dependency on imported fossil
 fuels.

7 The State has sought to encourage private sector 8 development of renewable energy projects. However, in the past, 9 private sector companies were either unable or unwilling to 10 expend the substantial amounts of funds needed to develop these 11 projects. The fundamental impediment to private development of 12 these projects has been obtaining permits for, and thereafter 13 complying with, the diverse array of federal, state, and county 14 land use planning, environmental, and related laws. The "Hawaii 15 Integrated Energy Policy Report of 1991" found that the "permits and approvals that may be required for the development and 16



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siting of energy facilities ... can take up to seven years for a
 single project."

While permitting procedures are needed to ensure that
commercial renewable energy development projects are undertaken
in a manner consistent with land use, planning, environmental,
and related laws, existing procedures are duplicative and lack
coordination.

8 Renewable energy projects are often complex, large-scale 9 projects requiring a number of permits. Legislation is needed 10 to streamline the permitting process to provide an amount of 11 predictability that would encourage private companies to commit 12 the substantial amounts of capital, time, and effort necessary 13 to develop such projects.

14 The purpose of this Act is to establish that it is the 15 policy of state and county governments to provide priority 16 handling and processing on all state and county permits required 17 for renewable energy projects.

18 SECTION 2. Chapter 46, Hawaii Revised Statutes, is amended 19 by adding a new section to be appropriately designated and to 20 read as follows:

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| 1 | " <u>§46-</u> Renewable energy projects. Agencies shall provide | | |
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| 2 | priority handling and processing on all permits required by a | | |
| 3 | county for renewable energy projects. | | |
| 4 | For the purposes of this section, "agency" means any | | |
| 5 | executive department, independent commission, board, bureau, | | |
| 6 | office, or other establishment of a county, or any quasi-public | | |
| 7 | institution that is supported in whole or in part by county | | |
| 8 | funds." | | |
| 9 | SECTION 3. Chapter 196, Hawaii Revised Statutes, is | | |
| 10 | amended by adding a new section to be appropriately designated | | |
| 11 | and to read as follows: | | |
| 12 | " <u>\$196-</u> Renewable energy projects. Agencies shall | | |
| 13 | provide priority handling and processing on all state and county | | |
| 14 | permits required for renewable energy projects. | | |
| 15 | For the purposes of this section, "agency" means any | | |
| 16 | executive department, independent commission, board, bureau, | | |
| 17 | office, or other establishment of the State or a county, or any | | |
| 18 | quasi-public institution that is supported in whole or in part | | |
| 19 | by state or county funds." | | |
| 20 | SECTION 4. Section 226-18, Hawaii Revised Statutes, is | | |
| 21 | amended by amending subsection (c) to read as follows: | | |



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| 1 | "(c) | To further achieve the energy objectives, it shall be |
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| 2 | the polic | of this State to: |
| 3 | (1) | Support research and development as well as promote |
| 4 | | the use of renewable energy sources; |
| 5 | (2) | Ensure that the combination of energy supplies and |
| 6 | | energy-saving systems is sufficient to support the |
| 7 | | demands of growth; |
| 8 | (3) | Base decisions of least-cost supply-side and demand- |
| 9 | | side energy resource options on a comparison of their |
| 10 | | total costs and benefits when a least-cost is |
| 11 | | determined by a reasonably comprehensive, |
| 12 | | quantitative, and qualitative accounting of their |
| 13 | | long-term, direct and indirect economic, |
| 14 | | environmental, social, cultural, and public health |
| 15 | | costs and benefits; |
| 16 | (4) | Promote all cost-effective conservation of power and |
| 17 | | fuel supplies through measures including: |
| 18 | | (A) Development of cost-effective demand-side |
| 19 | | management programs; |
| 20 | | (B) Education; and |
| 21 | | (C) Adoption of energy-efficient practices and |
| 22 | | technologies; |



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| 1 | (5) | Ensure to the extent that new supply-side resources |
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| 2 | | are needed, the development or expansion of energy |
| 3 | | systems utilizes the least-cost energy supply option |
| 4 | | and maximizes efficient technologies; |
| 5 | (6) | Support research, development, and demonstration of |
| 6 | | energy efficiency, load management, and other demand- |
| 7 | | side management programs, practices, and technologies; |
| 8 | (7) | Promote alternate fuels and energy efficiency by |
| 9 | | encouraging diversification of transportation modes |
| 10 | | and infrastructure; |
| 11 | (8) | Support actions that reduce, avoid, or sequester |
| 12 | | greenhouse gases in utility, transportation, and |
| 13 | | industrial sector applications; [and] |
| 14 | (9) | Support actions that reduce, avoid, or sequester |
| 15 | | Hawaii's greenhouse gas emissions through agriculture |
| 16 | | and forestry initiatives [+]; and |
| 17 | (10) | Provide priority handling and processing on all state |
| 18 | | and county permits required for renewable energy |
| 19 | | projects." |
| 20 | SECT | ION 5. Statutory material to be repealed is bracketed |
| 21 | and stric | ken. New statutory material is underscored. |
| 22 | SECT | ION 6. This Act shall take effect upon its approval. |



Report Title:

Renewable Energy Products; Priority Processing of Permits

Description:

Require agencies to provide priority handling and processing on all state and county permits required for renewable energy projects. (HD1)

