

JAN 24 2007

A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER

5 OFFICE OF ENERGY

6 § -1 Findings. The legislature finds that:

- 7 (1) The global demand for petroleum and its derivatives
8 has caused severe economic hardships throughout the
9 State and threatens to impair the public health,
10 safety, and welfare. The State of Hawaii, with its
11 total dependence on imported fossil fuel, is
12 particularly vulnerable to dislocations in the global
13 energy market. This is an anomalous situation, as
14 there are few places in the world so generously
15 endowed with natural energy: geothermal, solar
16 radiation, ocean temperature differential, wind,



1 waves, and currents--all potential non-polluting power
2 sources;

3 (2) There is a real need for strategic comprehensive
4 planning in the effort towards achieving full
5 utilization of Hawaii's energy resource programs and
6 the most effective allocation of energy resources
7 throughout the State. Planning is necessary and
8 desirable in order that the State may recognize and
9 address the major problems and opportunities in the
10 field of energy resources. Both short-range and long-
11 range planning will permit the articulation of:

12 (A) Broad policies, goals, and objectives;

13 (B) Criteria for measuring and evaluating
14 accomplishments of objectives;

15 (C) Identification and implementation of programs
16 that will carry out such objectives; and

17 (D) A determination of requirements necessary for the
18 optimum development of Hawaii's energy resources.

19 Such planning efforts will identify present conditions
20 and major problems relating to energy resources, their
21 exploration, development, production, and
22 distribution. It will show the projected nature of



1 the situation and rate of change and present
2 conditions for the foreseeable future based on a
3 projection of current trends in the development of
4 energy resources in Hawaii;

5 (3) There are many agencies of the federal, state, and
6 county governments in Hawaii, as well as many private
7 agencies, engaged in, or expressing an interest in,
8 various aspects of the exploration, research,
9 distribution, conservation, and production of all
10 forms of energy resources in Hawaii. Some of these
11 agencies include the University of Hawaii, the
12 department of land and natural resources, the
13 department of business, economic development, and
14 tourism, the division of consumer advocacy, the
15 federal energy office, and various county agencies, as
16 well as the oil companies, gas stations, and other
17 private enterprises; and

18 (4) There is an immediate need to coordinate the efforts
19 of all these agencies, establish and coordinate
20 programs to effectuate the conservation of fuel, to
21 provide for the equitable distribution thereof, and to
22 formulate plans for the development and use of



1 alternative energy sources. There is a need for such
2 coordination so that there will be maximum
3 conservation and utilization of energy resources in
4 the State.

5 **§ -2 Purpose.** The purpose of this chapter is to
6 establish an office of energy to assist the governor and the
7 director of business, economic development, and tourism in
8 maintaining an overall framework to guide the development of the
9 State through a continuous process of comprehensive, long-range,
10 and strategic planning to meet the energy needs of Hawaii's
11 people, and provide for the wise use of Hawaii's resources in a
12 coordinated, efficient, and economical manner.

13 **§ -3 Office of energy; establishment.** There is
14 established within the department of business, economic
15 development, and tourism an office of energy. The head of the
16 office shall be known as the director of the office of energy,
17 referred to in this chapter as director. The director shall
18 have:

- 19 (1) Training in the field of energy resources, public
20 administration, or other related fields;
21 (2) Experience in programs or services related to energy
22 resources and resource coordination; and



1 (3) Experience in a supervisory, consultative, or
2 administrative capacity.

3 The director shall be nominated by the governor and, by and
4 with the advice and consent of the senate, appointed by the
5 governor without regard to chapter 76, and shall be compensated
6 at a salary level set by the governor. The director shall hold
7 office for a term to expire at the end of the term for which the
8 governor was elected, unless removed sooner by the governor.

9 The director shall be included in any benefit program generally
10 applicable to the officers and employees of the State. The
11 director shall retain staff as may be necessary for the purposes
12 of this chapter, in conformity with chapter 76. The director
13 shall report to the director of business, economic development,
14 and tourism and shall not be required to report directly to any
15 other principal executive department.

16 **§ -4 Duties and responsibilities.** The office of energy
17 shall:

18 (1) Formulate plans, including objectives, criteria to
19 measure accomplishment of objectives, programs through
20 which the objectives are to be attained, and financial
21 requirements for the optimum development of Hawaii's
22 energy resources;



- 1 (2) Develop a strategic comprehensive plan in the effort
2 to achieve full utilization of Hawaii's energy
3 resource programs and the most effective allocation of
4 energy resources throughout the State. Short-range
5 and long-range plans shall articulate:
6 (A) Broad policies, goals, and objectives;
7 (B) Criteria for measuring and evaluating
8 accomplishments of objectives;
9 (C) Identification and implementation of programs
10 that will carry out the objectives; and
11 (D) A determination of requirements necessary for the
12 optimum development of Hawaii's energy resources;
- 13 (3) Conduct, collect, and disseminate research and
14 statistics on the energy resource trends and
15 developments;
- 16 (4) Develop benchmarks for energy resource development and
17 policy-making;
- 18 (5) Conduct systematic analysis of existing and proposed
19 energy resource programs, evaluate the analysis
20 conducted by government agencies and other
21 organizations and recommend to the governor and to the
22 legislature programs that represent the most effective



- 1 allocation of resources for the development of energy
2 sources;
- 3 (6) Formulate and recommend specific proposals, as
4 necessary, for conserving energy and fuel, including
5 the allocation and distribution thereof, to the
6 governor and to the legislature;
- 7 (7) Assist public and private agencies in implementing
8 energy conservation and related measures;
- 9 (8) Coordinate the State's energy conservation and
10 allocation programs with that of the federal
11 government, other state governments, governments of
12 nations with interest in common energy resources, and
13 the political subdivisions of the State;
- 14 (9) Develop programs to encourage private and public
15 exploration and research of alternative energy
16 resources that will benefit the State;
- 17 (10) Conduct public education programs to inform the public
18 of an energy situation that may exist from time to
19 time and of the government actions taken thereto;
- 20 (11) Serve as consultant to the governor, public agencies,
21 and private industry on matters related to the



- 1 acquisition, utilization, and conservation of energy
2 resources;
- 3 (12) Contract for services when required for implementation
4 of this chapter;
- 5 (13) Review proposed state actions that the director finds
6 to have significant effect on energy consumption and
7 report to the governor their effect on the energy
8 conservation program, and perform such other services
9 as may be required by the governor and the
10 legislature;
- 11 (14) Prepare and submit an annual report and any other
12 reports as may be requested to the governor and to the
13 legislature on the implementation of this chapter and
14 all matters related to energy resources; and
- 15 (15) Adopt rules for the administration of this chapter
16 pursuant to chapter 91.

17 **§ -5 Cooperation.** The office of energy shall seek the
18 widest possible cooperation from public and private agencies and
19 individuals and the federal government to achieve the purposes
20 of this chapter. It shall work closely with the energy
21 resources coordinator to achieve an optimal level of resource
22 planning and research. It shall work closely with and assist



1 the counties in the promotion of coordinated state and county
2 planning efforts on energy resources.

3 Every state department, county agency, or other public or
4 private agencies or individuals providing energy resource
5 programs and services shall be encouraged to participate
6 actively in the activities of the office of energy. The
7 executive heads of all state departments and agencies shall
8 cooperate with the office of energy by providing information as
9 the governor and the director of business, economic development,
10 and tourism deem necessary for the effective discharge of its
11 duties.

12 Nothing in this chapter shall be deemed to delegate or
13 detract in any way from the functions, powers, and duties
14 conferred by law on any department or agency of the State or
15 county.

16 **§ -6 Allocation of funds.** Any of the agencies of the
17 State to which general or special appropriations are made, or a
18 part of whose budget contains an allocation, or that makes an
19 allocation of funds for energy resource planning and research,
20 shall consult with the office of energy to ensure that all
21 expenditures are in accordance with, or in furtherance of the
22 goals and objectives of the office of energy. After first

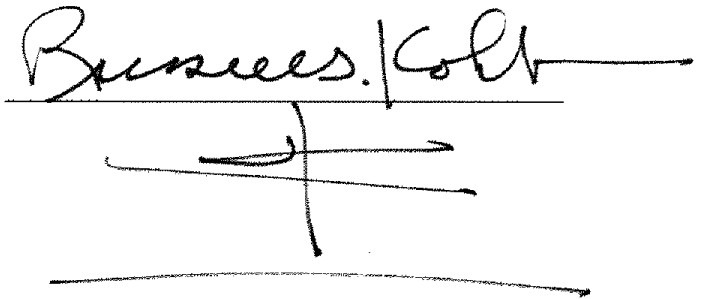


1 consulting with the director of business, economic development,
2 and tourism, the governor may withhold the expenditure of these
3 funds by any agency until the governor is satisfied that the
4 expenditures will implement those goals and objectives."

5 SECTION 2. This Act shall take effect upon its approval.

6

INTRODUCED BY:

Burnees/Cobb




Report Title:

Office of Energy

Description:

Establishes the office of energy to be administratively attached to the department of business, economic development, and tourism.

