

JAN 19 2007

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# A BILL FOR AN ACT

RELATING TO ENERGY.

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

1           SECTION 1. The legislature finds that renewable energy  
2 projects can provide substantial and long-term benefits to the  
3 State. Development of renewable energy projects would further  
4 state policies of developing indigenous renewable energy  
5 resources and decreasing Hawaii's dependency on imported fossil  
6 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  
16 and approvals that may be required for the development and



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

3 While permitting procedures are needed to ensure that  
4 commercial renewable energy development projects are undertaken  
5 in a manner consistent with land use, planning, environmental,  
6 and related laws, existing procedures are duplicative and lack  
7 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, and expedite action on all state and  
17 county permits required 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:



1        "§46- Renewable energy projects. Agencies shall provide  
2 priority handling and processing, and expedite action on all  
3 state and county permits required 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 the State or a county, or any  
7 quasi-public institution that is supported in whole or in part  
8 by state or county 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        "§196- Renewable energy projects. Agencies shall  
13 provide priority handling and processing, and expedite action on  
14 all state and county permits required for renewable energy  
15 projects.

16        For the purposes of this section, "agency" means any  
17 executive department, independent commission, board, bureau,  
18 office, or other establishment of the State or a county, or any  
19 quasi-public institution that is supported in whole or in part  
20 by state or county funds."

21        SECTION 4. Section 226-18, Hawaii Revised Statutes, is  
22 amended by amending subsection (c) to read as follows:



1           "(c) To further achieve the energy objectives, it shall be  
2 the policy 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;



- 1 (5) Ensure to the extent that new supply-side resources  
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, and expedite  
18 action on all state and county permits required for  
19 renewable energy projects."

20 SECTION 5. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



# S.B. NO. 991

1 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

For name

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**Report Title:**

Renewable Energy Products; Priority Processing of Permits

**Description:**

Require agencies to provide priority handling and processing, and expedite action on all state and county permits required for renewable energy projects.

