
A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The purpose of this Act is to support the
2 renewable energy industry in Hawaii by:

3 (1) Establishing a renewable energy branch in the
4 department of business, economic development, and
5 tourism to coordinate and promote renewable energy
6 initiatives;

7 (2) Strengthening laws supporting energy diversification,
8 a longer term view of what is reasonable, and
9 utilization of energy technologies; and

10 (3) Providing adequate resources for the support of the
11 renewable energy industry, and for comprehensive
12 energy planning, in the department of business,
13 economic development, and tourism.

14 SECTION 2. Chapter 201, Hawaii Revised Statutes, is
15 amended by adding a new section to be appropriately designated
16 and to read as follows:



1 "§201- Renewable energy branch; establishment. (a)

2 There is established a renewable energy branch within the
3 department.

4 (b) Branch functions shall include, but not be limited to:

5 (1) Renewable energy resource assessments, technical
6 analyses, and resource development functions,

7 including design, management, and completion of
8 systematic analysis of existing and proposed energy
9 resource programs;

10 (2) Evaluation of analyses conducted by government
11 agencies and other organizations;

12 (3) Development and management of programs to encourage
13 public and private exploration, research, and
14 commercial development of renewable energy resources;

15 (4) Project facilitation functions, including the
16 development and implementation of programs to
17 facilitate the efficient permitting of renewable
18 energy projects;

19 (5) Renewable energy partnership and outreach functions,
20 including participation in renewable and sustainable
21 energy evaluation and demonstration projects,
22 outreach, and other activities to promote technically,



1 economically, and environmentally feasible

2 technologies and projects;

3 (6) Renewable energy resource, technology, and project
4 viability consultant functions, including serving as a
5 consultant to the governor, public agencies, and
6 private industry on matters related to the utilization
7 of Hawaii's renewable energy resources; and

8 (7) Research, reporting, implementation, and support of
9 renewable and transportation energy related laws."

10 SECTION 3. Section 226-18, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "§226-18 Objectives and policies for facility systems--
13 energy. (a) Planning for the State's facility systems with
14 regard to energy shall be directed toward the achievement of the
15 following objectives, giving due consideration to all:

16 (1) Dependable, efficient, and economical statewide energy
17 systems capable of supporting the needs of the people;

18 (2) Increased energy self-sufficiency where the ratio of
19 indigenous to imported energy use is increased;

20 (3) Greater energy security and diversification in the
21 face of threats to Hawaii's energy supplies and
22 systems; and



1 (4) Reduction, avoidance, or sequestration of greenhouse
2 gas emissions from energy supply and use.

3 (b) To achieve the energy objectives, it shall be the
4 policy of this State to ensure the short- and long-term
5 provision of adequate, reasonably priced, and dependable energy
6 services to accommodate demand.

7 (c) To further achieve the energy objectives, it shall be
8 the policy of this State to:

9 (1) Support research and development as well as promote
10 the use of renewable energy sources;

11 (2) Ensure that the combination of energy supplies and
12 energy-saving systems is sufficient to support the
13 demands of growth;

14 (3) Base decisions of least-cost supply-side and demand-
15 side energy resource options on a comparison of their
16 total costs and benefits when a least-cost is
17 determined by a reasonably comprehensive,
18 quantitative, and qualitative accounting of their
19 long-term, direct and indirect economic,
20 environmental, social, cultural, and public health
21 costs and benefits;



- 1 (4) Promote all cost-effective conservation of power and
2 fuel supplies through measures, including:
 - 3 (A) Development of cost-effective demand-side
4 management programs;
 - 5 (B) Education; and
 - 6 (C) Adoption of energy-efficient practices and
7 technologies;
- 8 (5) Ensure, to the extent that new supply-side resources
9 are needed, that the development or expansion of
10 energy systems uses the least-cost energy supply
11 option and maximizes efficient technologies;
- 12 (6) Support research, development, [and] demonstration,
13 and utilization of energy efficiency, load management,
14 and other demand-side management programs, practices,
15 and technologies;
- 16 (7) Promote alternate fuels and transportation energy
17 efficiency [~~by encouraging diversification of~~
18 ~~transportation modes and infrastructure~~];
- 19 (8) Support actions that reduce, avoid, or sequester
20 greenhouse gases in utility, transportation, and
21 industrial sector applications;



- 1 (9) Support actions that reduce, avoid, or sequester
- 2 Hawaii's greenhouse gas emissions through agriculture
- 3 and forestry initiatives; and
- 4 (10) Provide priority handling and processing for all state
- 5 and county permits required for renewable energy
- 6 projects."

7 SECTION 4. Section 196-4, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "**§196-4 Powers and duties.** Subject to the approval of the
10 governor, the coordinator shall:

- 11 (1) Formulate plans, including objectives, criteria to
- 12 measure accomplishment of objectives, programs through
- 13 which the objectives are to be attained, and financial
- 14 requirements for the optimum development of Hawaii's
- 15 energy resources;
- 16 (2) Conduct systematic analysis of existing and proposed
- 17 energy resource programs, evaluate the analysis
- 18 conducted by government agencies and other
- 19 organizations and recommend [~~to the governor and to~~
- 20 ~~the legislature]~~ programs [~~which]~~ that represent the
- 21 most effective allocation of resources for the
- 22 development of energy sources;



- 1 (3) Formulate and recommend specific proposals, as
2 necessary, for conserving energy and fuel, including
3 the allocation and distribution thereof [~~to the~~
4 ~~governor and to the legislature~~];
- 5 (4) Assist public and private agencies in implementing
6 energy conservation and efficiency programs, the
7 development of indigenous energy resources, and
8 related measures;
- 9 (5) Coordinate the State's energy [~~conservation and~~
10 ~~allocation~~] programs with [~~that~~] those 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 (6) Develop programs to encourage private and public
15 exploration, [~~and~~] research, and development of
16 [~~alternative~~] indigenous energy resources [~~which~~] that
17 will benefit the State;
- 18 (7) Conduct public education programs to inform the public
19 of the energy situation as may exist from time to time
20 and of the government actions taken thereto;
- 21 (8) Serve as consultant to the governor, public agencies,
22 and private industry on energy-related matters



- 1 ~~[related to the acquisition, utilization and~~
2 ~~conservation of energy resources]~~;
- 3 (9) Contract for services when required for implementation
4 of this chapter;
- 5 (10) Review proposed state actions ~~[which]~~ that the
6 coordinator finds to have significant effect on
7 ~~[energy consumption]~~ the State's energy objectives and
8 report to the governor their effect on the energy
9 ~~[conservation]~~ program, and perform ~~[such]~~ other
10 services as may be required by the governor and the
11 legislature;
- 12 (11) Prepare and submit an annual report and ~~[such]~~ other
13 reports as may be requested to the governor and to the
14 legislature on the implementation of this chapter and
15 all matters related to energy resources; ~~[and]~~
- 16 (12) Formulate a systematic process, including the
17 development of requirements, to identify geographic
18 areas that are rich with renewable energy resource
19 potential that can be developed in a cost-effective
20 and environmentally benign manner and designate these
21 areas as renewable energy zones;



- 1 (13) Develop and recommend incentives, plans, and programs
2 to encourage the development of renewable energy
3 resource projects within the renewable energy zones;
- 4 (14) Assist public and private agencies in identifying the
5 utility transmission projects or infrastructure that
6 is required to accommodate and facilitate the
7 development of renewable energy resources;
- 8 (15) Assist public and private agencies in coordination
9 with the department of budget and finance in accessing
10 the use of special purpose revenue bonds to finance
11 the engineering, design, and construction of
12 transmission projects and infrastructure that are
13 deemed critical to the development of renewable energy
14 resources;
- 15 (16) Develop the criteria or requirements for indentifying
16 and qualifying specific transmission projects and
17 infrastructure that are critical to the development of
18 renewable energy resources, with the assistance of the
19 energy resource coordinator in accessing the use of
20 special purpose revenue bonds to finance the projects
21 or infrastructure; and



1 ~~[(12)]~~ (17) Adopt rules for the administration of this
 2 chapter pursuant to chapter 91 ~~[, provided that the~~
 3 ~~rules shall be submitted to the legislature for~~
 4 ~~review]~~ ."

5 SECTION 5. There are established within the department
 6 seven full-time temporary positions to support the planning and
 7 renewable energy provisions of this chapter. The positions
 8 shall be exempt from chapters 76 and 89.

9 SECTION 6. There is appropriated out of the general
 10 revenues of the State of Hawaii the sum of \$393,518 or so much
 11 thereof as may be necessary for fiscal year 2009-2010 and the
 12 same sum or so much thereof as may be necessary for fiscal year
 13 2010-2011 to be deposited into the energy security special fund.

14 SECTION 7. There is appropriated out of the energy
 15 security special fund the sum of \$393,518 or so much thereof as
 16 may be necessary for fiscal year 2009-2010 and the same sum or
 17 so much thereof as may be necessary for fiscal year 2010-2011
 18 for seven full-time, temporary energy analysts.

19 The sums appropriated shall be expended by the department
 20 of business, economic development, and tourism for the purposes
 21 of this Act.



1 SECTION 8. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 9. This Act shall take effect on July 1, 2009.



Report Title:

Renewable Energy Branch; Appropriation

Description:

Establishes the renewable energy branch in the department of business, economic development, and tourism to coordinate and promote renewable energy initiatives. Strengthens existing renewable energy and planning provisions. Provides for staffing. Appropriates funds. (HD1)

