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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. Chapter 196, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§196-     Electrical generation facilities; fossil fuels;  
5 prohibition. (a) After December 31, 2012, no permit shall be  
6 issued for the construction or operation of an electrical  
7 generation facility that produces electrical energy primarily  
8 from the combustion of any type of fossil fuel.

9           (b) No later than January 1, 2025, all electrical  
10 generation facilities in the State shall generate electrical  
11 energy primarily from renewable energy."

12          SECTION 2. Section 269-7.5, Hawaii Revised Statutes, is  
13 amended to read as follows:

14          "§269-7.5 Certificates of public convenience and  
15 necessity. (a) No public utility, as defined in section 269-1,  
16 shall commence its business without first having obtained from  
17 the commission a certificate of public convenience and  
18 necessity. Applications for certificates shall be made in



1 writing to the commission and shall comply with the requirements  
2 prescribed in the commission's rules. The application shall  
3 include the type of service to be performed, the geographical  
4 scope of the operation, the type of equipment to be employed in  
5 the service, the name of competing utilities for the proposed  
6 service, a statement of its financial ability to render the  
7 proposed service, a current financial statement of the  
8 applicant, and the rates or charges proposed to be charged  
9 including the rules governing the proposed service.

10 (b) If the applicant for a certificate of public  
11 convenience and necessity has any known consumers or patrons at  
12 the time of the filing of the application, the applicant shall  
13 notify these consumers or patrons of the rates and charges  
14 proposed to be established by the application; provided that:

15 (1) The notice shall be mailed to the last known address  
16 of the consumer or patron on file with the applicant  
17 or the applicant's affiliates; and

18 (2) The manner and the fact of the notification shall be  
19 reported to the commission,  
20 within seven days from the filing of the application.

21 (c) A certificate shall be issued to any qualified  
22 applicant, authorizing the whole or any part of the operations



1 covered by the application, if it is found that the applicant is  
2 fit, willing, and able properly to perform the service proposed  
3 and to conform to the terms, conditions, and rules adopted by  
4 the commission, and that the proposed service is, or will be,  
5 required by the present or future public convenience and  
6 necessity; otherwise the application shall be denied. Any  
7 certificate issued shall specify the service to be rendered and  
8 there shall be attached to the exercise of the privileges  
9 granted by the certificate at the time of issuance and from time  
10 to time thereafter, such reasonable conditions and limitations  
11 as a public convenience and necessity may require. The  
12 reasonableness of the rates, charges, and tariff rules proposed  
13 by the applicant shall be determined by the commission during  
14 the same proceeding examining the present and future  
15 conveniences and needs of the public and qualifications of the  
16 applicant, in accordance with the standards set forth in section  
17 269-16.

18 (d) No public utility that holds a franchise or charter  
19 enacted or granted by the legislative or executive authority of  
20 the State or its predecessor governments, or that has a bona  
21 fide operation as a public utility heretofore recognized by the



1 commission, shall be required to obtain a certificate of public  
2 convenience and necessity under this section.

3 (e) Any certificate, upon application of the holder and at  
4 the discretion of the public utilities commission, may be  
5 amended, suspended, or revoked, in whole or in part. The  
6 commission after notice and hearing may suspend, amend, or  
7 revoke any certificate in part or in whole, if the holder is  
8 found to be in wilful violation of any of the provisions of this  
9 chapter or with any lawful order or rule of the commission  
10 adopted thereunder, or with any term, condition, or limitation  
11 of the certificate.

12 (f) After December 31, 2012, no certificate shall be  
13 issued to any applicant for the operation of a new electrical  
14 generation facility that produces electrical energy primarily  
15 from the combustion of any type of fossil fuel.

16 (g) After January 1, 2025, the commission shall revoke any  
17 certificate that was previously issued to a public utility for  
18 the operation of an electrical generation facility that produces  
19 electrical energy primarily from the combustion of any type of  
20 fossil fuel if that facility has not been converted or  
21 retrofitted to generate electrical energy primarily from  
22 renewable energy."



# H.B. NO. 816

1 SECTION 3. New statutory material is underscored.

2 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

*Gene Ward*

*Guthrie Tucker*

JAN 26 2009



**Report Title:**

Renewable Energy

**Description:**

Prohibits the permitting after 12/31/12 of any new electrical generation facility that uses fossil fuels to generate electricity. Requires all electrical generation facilities to produce electricity from renewable energy by 1/1/25.

