JAN 26 2009

S.B. NO. 871

A BILL FOR AN ACT

RELATING TO HAWAII'S CLEAN ENERGY INITIATIVE IN ENERGY EFFICIENCY.

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

PART I

SECTION 1. Attaining independence from our detrimental reliance on fossil fuels has been a long-standing objective for the State.

Hawaii is the most petroleum dependent State for its energy needs. It pays the highest electricity prices in the United States, and its gasoline costs are among the highest in the country. Fuel surcharges that pass the increases in fuel costs to consumers have significantly increased the cost of over 80 percent of the goods and services sold in Hawaii. Household fuels and utilities costs rose 36.4 percent, from the previous year, as reflected in the Honolulu Consumer Price Index during the second quarter of 2008. Hawaii's energy costs approach 11 percent of its Gross Domestic Product, whereas in most states energy costs are 4 percent of Gross Domestic Product. Between 2005 and 2008, state government consumption of electricity increased 3.9 percent, but expenditures increased 56.8 percent.

Reducing our oil dependence and the consequent price volatility and attaining a measure of energy security is critical. More than 96 percent of petroleum in Hawaii now comes from foreign sources. Clean energy from indigenous renewable resources, has the potential to provide an estimated 150 percent of current installed electrical capacity.

On January 28, 2008, the signing of a Memorandum of Understanding between the State of Hawaii and the United States Department of Energy launched the Hawaii Clean Energy Initiative. This initiative and long-term partnership between Hawaii and USDOE is aimed at accelerating the use and development of energy efficiency and renewable energy technologies; allowing Hawaii to serve as a model and demonstration for the United States and other island communities; and developing a national partnership to accelerate system transformation, whereby the following goals are attained:

(1) Achieve a 70 percent clean energy economy for Hawaii within a generation.

(2) Increase Hawaii's energy security.

(3) Capture economic benefits of clean energy for all levels of society.

(4) Contribute to greenhouse gas reduction.

(5) Foster and demonstrate innovation.

(6) Build the workforce of the future.

(7) Serve as a national model.

The purpose of this Act is to provide a first step in aligning Hawaii's energy policy laws with the State's energy goals. For Hawaii to realize energy independence and economic stability, the transformation of its energy system must encompass changes to:

(1) Hawaii's policy or regulatory framework;

(2) System-level technology development and integration;

(3) Financing or capital investment; and

(4) Institutional system planning.

Energy efficiency can contribute significantly towards the goal of utilizing clean energy in meeting 70 percent of Hawaii's energy demand by 2030. Of the 70 percent, analysis has determined that 40 percent can be accomplished through renewable energy initiatives. The remaining 30 percent must be achieved through energy efficiency measures, which equates to 4300 gigawatt-hours of the total electrical load in 2030. The Hawaii Clean Energy Initiative set goals for energy efficiency that were developed by the U.S. Department Of Energy; the department of business, economic development, and tourism; and

members of Hawaii's clean energy initiative working groups during 2008. This effort presents a range of measures—some proven elsewhere, some innovative—to reach aggressive energy goals while balancing the interests of various stakeholders.

PART II

ENERGY EFFICIENCY

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

"§ _____ **Energy efficiency portfolio standard.** The State shall set an energy efficiency portfolio standard with the goal of off-setting forecasted load growth in the electricity sector from 2009 to 2030.

The statewide target shall be 4,300 gigawatt-hours of electricity savings by 2030. The interim targets, and any island by island targets, shall be set by the public utilities commission.

The public utilities commission shall identify the parties who are responsible for each element of the standard and set incentives and penalties based on performance by each entity.

Renewable substitution, including but not limited to solar water heating and sea water air conditioning, shall count toward this standard.

The administrator of the public benefits fee, whether the utility or a third party, will be responsible for reaching this level of energy efficiency by instituting efficiency programs across all end use sectors. The administrator will submit annual reports to the public utilities commission by March 1 of each year, beginning March 1, 2010, reporting energy efficiency savings achieved during the previous calendar year. The public utilities commission shall monitor and evaluate progress against this standard.

Penalties for not meeting the standard shall be established by the public utilities commission."

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

"§ **Energy efficiency studies and planning.** The public benefits fee administrator shall expend $500,000 from the public benefit fee to conduct energy efficiency assessments to identify current energy use patterns in this State and areas of greatest potential for energy efficiency savings. The assessments shall

include end use research regarding Hawaii's homes, businesses, and other utility customers. The energy potential assessments shall identify and recommend energy efficiency programs to target.

The assessments shall be forwarded to the legislature, the public utilities commission, the energy resources coordinator, and the utilities.

The assessments shall be completed by December 31, 2010.

The public benefits fee administrator will establish aggressive efficiency plans with the provision that efficiency will be the first loaded resource in all cases where it is cost effective. Cost effectiveness shall be defined as all resources deemed to effectively cover the incremental cost of investment within 15 years when measured against average electricity rates for residential, small commercial, large commercial, industrial, and agricultural customers.

To the extent that the building code changes between efficiency plans, the net impact of the code shall be netted out of the requirements.

Until the full energy efficiency plan is available, the public utilities commission, department of business, economic development, and tourism, utilities, and the public benefits fee

administrator shall work with stakeholders to identify a small set of cost-effective energy efficiency measures that will have high energy-saving impact and can be implemented in significant volumes with high penetration goals, so the State can begin realizing energy savings immediately."

SECTION 4. The Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§ _____ **Building codes.** The public benefits fee administrator shall expend $600,000 from the public benefits fee to implement the following responsibilities.

The public benefits fee administrator shall set up procedures for and conduct measurement and verification of buildings and homes constructed under the code to assess code compliance and building performance. The results will help inform necessary changes to the code and code training delivery in subsequent amendments.

The public benefits fee administrator shall conduct an analysis of the energy intensity of residential and commercial buildings built to code compared to baseline homes.

The public benefits fee administrator shall conduct surveys of builders to determine actual costs associated with meeting code for residential and commercial buildings.

Results of these analyses and surveys shall be delivered to the legislature twenty days prior the convening of each legislative session. Each report shall include recommendations for building code updates, which can be provided to the state building code council as petitions for rules changes.

The public benefits fee administrator shall assess the feasibility of implementing a net zero energy building code for residential and commercial construction.

The public benefits fee administrator shall recommend technical code amendments to the international energy conservation codes in order to take advantage of Hawaii's climate.

Building code analysis shall also consider the costs and benefits of requiring: advanced meters and energy "dashboard" technologies that improve the ability of the occupant to monitor and improve building performance, cool roof standards; that the roofs of new homes be solar-ready; that all homes built or rehabilitated in this State have and present an energy label; and any other measures that can improve the ability of the

homeowner to better understand and manage the homeowner's energy use.

The public benefits fee administrator shall create building energy efficiency commissioning guidelines appropriate for building practices including recommending enforcement mechanisms in this State by January 1, 2010."

SECTION 5. Section 196-6.5, Hawaii Revised Statutes, is amended to read as follows:

"[~~[~~]§196-6.5[~~]~~] **Solar water heater system required for new single-family residential construction.** (a) On or after January 1, 2010, [~~no building permit shall be issued for~~] a new single-family dwelling [~~that does not~~] shall include a solar water heater system that meets the standards established pursuant to section 269-44, unless the [~~energy resources coordinator~~] public benefits fee administrator approves a variance. A variance shall only be approved if an architect or engineer licensed under chapter 464 attests that:

(1) Installation is impracticable due to poor solar resource;

(2) Installation is cost-prohibitive based upon a life cycle cost-benefit analysis that incorporates the average residential utility bill and the cost of the

new solar water heater system with a life cycle that does not exceed fifteen years;

(3) A substitute renewable energy technology system, as defined in section 235-12.5, is used as the primary energy source for heating water; or

(4) A demand water heater device approved by Underwriters Laboratories, Inc., is installed; provided that at least one other gas appliance is installed in the dwelling. For the purposes of this paragraph, "demand water heater" means a gas-tankless instantaneous water heater that provides hot water only as it is needed.

(b) A request for a variance shall be submitted to the [~~energy resources coordinator~~] public benefits fee administrator on an application prescribed by the [~~energy resources coordinator~~] public benefits fee administrator and shall include, but not be limited to, a description of the location of the property and justification for the approval of a variance using the criteria established in subsection (a). A variance shall be deemed approved if not denied within thirty working days after receipt of the variance application.

(c) Nothing in this section shall preclude any county from establishing procedures and standards required to implement this section.

(d) Nothing in this section shall preclude participation in any utility demand-side management program or public benefits fund under part VII of chapter 269."

SECTION 6. The Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§ _____ **Public buildings.** (a) Each state department with responsibilities for the design and construction of buildings and facilities shall benchmark every existing public building that is either larger than 5000 square feet or uses more than 8000 kilowatt-hour per year by December 31, 2010, and use the benchmark as a basis in determining the State's investment in improving the efficiency of its own building stock. Benchmarking shall be conducted using the ENERGY STAR portfolio management tool or an equivalent tool, as determined by the public benefits fee administrator. The public benefits fee administrator shall provide training to affected departments on the ENERGY STAR portfolio management tool or an equivalent tool.

Public buildings shall be retro-commissioned not less than every five years. The public benefits fee administrator shall create retro-commissioning guidelines by January 1, 2010.

Departments may enter into energy savings performance contracts with a third party to cover the capital costs of energy efficiency measures and distributed generation as long as the terms of the energy savings performance contracts conform to this standard. The comptroller may review and exempt specific projects as appropriate to take into account cost-effectiveness.

Energy savings performance contracts shall be executed according to state guidelines issued by the comptroller and reviewed by the comptroller. To expedite energy saving performance contracting for public buildings, the department of accounting and general services shall develop a master energy savings performance contracts agreement that any department may use to contract with an energy savings performance contracts provider for energy efficiency and renewable energy services.

Existing public buildings that undergo a major retrofit or renovation shall make investments in efficiency, provided that the cost of the measures shall be recouped within twenty years."

SECTION 7. The Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§ **On-bill financing for energy efficiency and renewable energy.** By December 31, 2009, the public utilities commission shall institute a rule governing the on-bill financing program, to be administered by the public benefits fee administrator.

The program's goals are to change out inefficient refrigerators, install solar water heaters, and install photovoltaic systems. The public utilities commission shall establish the details of this program."

SECTION 8. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§ 235- **Tax credit for a net zero energy building.** (a) There shall be allowed to each taxpayer who owns a net zero energy building fixed to real property located in the state an income tax credit which shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter only for the first taxable year in which the building meets the definition of net zero energy building.

(b) The amount of the credit shall be:

(1) For a building that is up to 1000 square feet, the tax credit shall be $9.00 per square foot;

(2) For a building that is more than 1000 square feet but less than 4,000 square feet, the tax credit shall be $6.00 per square foot;

(3) For a building that is more than 4,000 square feet, the tax credit shall be $3.00 per square foot for a maximum credit of $50,000.

(c) In the case of a partnership, S corporation, estate, or trust, the tax credit allowable is for every net zero energy building owned by the entity. Distribution and share of the credit shall be determined pursuant to section 235-110.7(a).

In the case of a building owned by more than one person, the tax credit shall be determined as if owned by one person, and then apportioned among the various owners in proportion to their ownership interest in the building.

(d) For purposes of this section:

"Net zero energy building" means any building that produces more electricity from renewable energy technology systems than it consumes from all sources on a monthly basis during any 9 months of the tax year.

"Renewable energy technology system" means a system that captures and converts a renewable source of energy into electricity.

(e) The director of taxation shall prepare any forms that may be necessary to claim a tax credit under this section. The director of taxation may require the taxpayer to furnish reasonable information to ascertain the validity of the claim for credit made under this section and may adopt rules necessary to effectuate the purposes of this section pursuant to chapter 91.

(f) If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of the credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted. All claims for the tax credit under this section, including amended claims, shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with this subsection shall constitute a waiver of the right to claim the credit.

(g) This section shall apply to taxable years beginning after December 31, 2009, and shall not apply to taxable years beginning after December 31, 2019.

(h) Taxpayers claiming tax credits for renewable energy systems under this section are not eligible for tax credits under section 235-12.5.

(i)(1) If, during any taxable year, a net zero energy building ceases to be a net zero energy building and is owned by the taxpayer who claimed the tax credit, then the tax credit shall be recaptured. To recapture, the taxpayer must add to taxable income for the taxable year in which the building ceases to be a net zero energy building, the amount of the recapture percentage of the credits allowed and claimed under this section.

(2) For purposes of subsection (1), the recapture percentage shall be determined in accordance with the following:

If the property ceases to be a net zero energy building within the time specified, then the recapture percentage is:

(A) One full year after the taxable year in which the credit is claimed: 100 percent.

(B) One full year after the close of the period described in clause (A) 80 percent.

(C) One full year after the close of the period described in clause (B) 60 percent.

(D) One full year after the close of the period described in clause (C) 40 percent.

(E) One full year after the close of the period described in clause (D) 20 percent.

(j) If a deduction is taken under section 179 of the Internal Revenue Code of 1986 amended, no tax credit shall be allowed for that portion of the cost for which the deduction is taken.

(k) The basis of eligible property for depreciation or accelerated cost recovery system purposes for state income taxes shall be reduced by the amount of credit allowable and claimed. In the alternative, the taxpayer shall treat the amount of the credit allowable and claimed as a taxable income item for the taxable year in which it is properly recognized under the method of accounting used to compute taxable income."

SECTION 9. The Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§ **Consumer information.** Prior to the sale or leasing of property, property owners and lessors shall provide the last utility bills for the most recent three month period for property for sale or lease while occupied. If the property

does not have a utility account number, the property owner or lessor is not required to meet this requirement.

The public benefits fee administrator shall develop programs and information to educate financial institutions, realtors, mortgage brokers, and consumers on the economics of energy efficient properties, including savings over the life-cycle of such properties."

PART III

RENEWABLE ENERGY INCOME TAX CREDITS

SECTION 10. Section 235-12.5, Hawaii Revised Statutes, is amended to read as follows:

"**§235-12.5 Renewable energy technologies; income tax credit.** (a) When the requirements of subsection [~~(c)~~] (d) are met, each individual or corporate taxpayer that files an individual or corporate net income tax return for a taxable year may claim a tax credit under this section against the Hawaii state individual or corporate net income tax. The tax credit may be claimed for every eligible renewable energy technology system that is installed and placed in service in the State by a taxpayer during the taxable year. [~~This credit shall be available for systems installed and placed in service in the~~

~~State after June 30, 2003.~~] The tax credit may be claimed as follows:

(1) [~~Solar thermal energy systems for:~~

~~(A) Single-family residential property for which a building permit was issued prior to January 1, 2010: thirty-five per cent of the actual cost or $2,250, whichever is less;~~

~~(B) Multi-family residential property: thirty-five per cent of the actual cost or $350 per unit, whichever is less; and~~

~~(C) Commercial property: thirty-five per cent of the actual cost or $250,000, whichever is less;~~] For each solar energy system: thirty-five percent of the actual cost or the cap amount determined in subsection (b), whichever is less; or

(2) [~~Wind-powered energy systems for:~~

~~(A) Single-family residential property: twenty per cent of the actual cost or $1,500, whichever is less;~~

~~(B) Multi-family residential property: twenty per cent of the actual cost or $200 per unit, which is less; and~~

~~(C) Commercial property: twenty per cent of the actual cost or $500,000, whichever is less; and~~

~~(3) Photovoltaic energy systems for:~~

~~(A) Single-family residential property: thirty-five per cent of the actual cost or $5,000, whichever is less;~~

~~(B) Multi-family residential property: thirty-five per cent of the actual cost or $350 per unit, whichever is less; and~~

(C) ~~Commercial property: thirty-five per cent of the actual cost or $500,000, whichever is less;~~]

For each wind-powered energy system: twenty percent of the actual cost or the cap amount determined in subsection (b), whichever is less;

provided that multiple owners of a single system shall be entitled to a single tax credit; and provided further that the tax credit shall be apportioned between the owners in proportion to their contribution to the cost of the system.

In the case of a partnership, S corporation, estate, or trust, the tax credit allowable is for every eligible renewable energy technology system that is installed and placed in service in the State by the entity. The cost upon which the tax credit is

computed shall be determined at the entity level. Distribution and share of credit shall be determined pursuant to section 235-110.7(a).

(b) The amount of credit allowed for each eligible renewable energy technology system shall not exceed the applicable cap amount, which is determined as follows:

(1) If the primary purpose of the solar energy system is to use energy from the sun to heat water for household use, then the cap amounts shall be:

(A) $2,250 per system for single-family residential property;

(B) $350 per unit per system for multi-family residential property; and

(C) $250,000 per system for commercial property.

(2) For all other solar energy systems, the cap amounts shall be:

(A) $5,000 per system for single-family residential property;

(B) $350 per unit per system for multi-family residential property; and

(C) $500,000 per system for commercial property.

(3) For all wind-powered energy systems, the cap amounts shall be:

(A) $1,500 per system for single-family residential property;

(B) $200 per unit per system for multi-family residential property; and

(C) $500,000 per system for commercial property.

[~~(b)~~] (c) For the purposes of this section:

"Actual cost" means costs related to the renewable energy technology systems under subsection (a), including accessories and installation, but not including the cost of consumer incentive premiums unrelated to the operation of the system or offered with the sale of the system and costs for which another credit is claimed under this chapter.

"Household use" means any use that heated water is commonly put to in a residential setting, including commercial application of those uses.

"Renewable energy technology system" means a system that captures and converts a renewable source of energy, such as [~~wind, heat (solar thermal), or light (photovoltaic) from the sun~~] solar or wind energy, into:

(1) A usable source of thermal or mechanical energy;

(2) Electricity; or

(3) Fuel.

"Solar or wind energy system" means any identifiable facility, equipment, apparatus, or the like that converts [~~insolation~~] solar or wind energy to useful thermal or electrical energy for heating, cooling, or reducing the use of other types of energy that are dependent upon fossil fuel for their generation.

[~~(c)~~] (d) For taxable years beginning after December 31, 2005, the dollar amount of any utility rebate shall be deducted from the cost of the qualifying system and its installation before applying the state tax credit.

[~~(d)~~] (e) The director of taxation shall prepare any forms that may be necessary to claim a tax credit under this section, including forms identifying the technology type of each tax credit claimed under this section, whether for [~~solar thermal, photovoltaic from the sun,~~] solar or wind. The director may also require the taxpayer to furnish reasonable information to ascertain the validity of the claim for credit made under this section and may adopt rules necessary to effectuate the purposes of this section pursuant to chapter 91.

[~~(e)~~] (f) If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of the credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted[~~.~~], unless otherwise elected by the taxpayer pursuant to subsection (g) or (h). All claims for the tax credit under this section, including amended claims, shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with this subsection shall constitute a waiver of the right to claim the credit.

[~~(f)~~] (g) [~~By or before December, 2005, to the extent feasible, using existing resources to assist the energy-efficiency policy review and evaluation, the department shall assist with data collection on the following:~~

~~(1) The number of renewable energy technology systems that have qualified for a tax credit during the past year by:~~

~~(A) Technology type (solar thermal, photovoltaic from the sun, and wind); and~~

~~(B) Taxpayer type (corporate and individual); and~~

~~(2) The total cost of the tax credit to the State during the past year by:~~

~~(A) Technology type; and~~

~~(B) Taxpayer type.~~]

For solar energy systems, a taxpayer may elect to reduce the eligible credit amount by thirty percent and if this reduced tax credit exceeds the amount of income tax payment due from the taxpayer, the excess of the credit over payments due shall be refunded to the taxpayer; provided that tax credits properly claimed by a taxpayer who has no income tax liability shall be paid to the taxpayer; and provided further that no refund on account of the tax credit allowed by this section shall be made for amounts less than $1.

The election required by this subsection shall be made in a manner prescribed by the director on the taxpayer's return for the taxable year in which the system is installed and placed in service. A separate election may be made for each separate system that generates a credit. An election once made is irrevocable.

[~~(g)~~] (h) [~~For systems installed and placed in service in 2009, no residential home developer shall be entitled to claim the credit under subsections (a)(1)(A), (a)(2)(A), and~~

~~(a)(3)(A). A residential home developer is defined as a person who holds more than one residential dwelling for sale as inventory.~~]

For any renewable energy technology system, an individual taxpayer may elect to have any excess of the credit over payments due refunded to the taxpayer, if:

(1) All of the taxpayer's income is exempt from taxation under section 235-7(a)(2) or (3); or

(2) The taxpayer's adjusted gross income is $20,000 or less (or $40,000 or less if filing a tax return as married filing jointly);

provided that tax credits properly claimed by a taxpayer who has no income tax liability shall be paid to the taxpayer; and provided further that no refund on account of the tax credit allowed by this section shall be made for amounts less than $1. A husband and wife who do not file a joint tax return shall only be entitled to make this election to the extent that they would have been entitled to make the election had they filed a joint tax return.

The election required by this subsection shall be made in a manner prescribed by the director on the taxpayer's return for the taxable year in which the system is installed and placed in

service. A separate election may be made for each separate system that generates a credit. An election once made is irrevocable.

(i) No taxpayer shall be allowed a credit under this section for a solar water heater system required by section 196-6.5 that is installed and placed in service on any newly constructed residence authorized by a building permit issued on or after January 1, 2010.

(j) This section shall apply to eligible renewable energy technology systems that are installed and placed in service on or after January 1, 2010."

Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect upon its approval.

INTRODUCED BY: _____

BY REQUEST

S.B. NO. 871

Report Title:
Hawaii Clean Energy Initiative; Energy Efficiency

Description:
Establishes energy efficiency initiatives necessary for and contributing to the transition of Hawaii's energy sector to 70 percent non-petroleum energy sources by 2030.

SB 871

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO HAWAII'S CLEAN ENERGY INITIATIVE IN ENERGY EFFICIENCY.

PURPOSE: To align Hawaii's energy policy laws with the State's clean energy goals of achieving a 70 percent clean energy economy by 2030 implementing changes to transform Hawaii's energy system' encompassing changes to:

(1) Energy Efficiency Portfolio Standard and Analysis;
(2) Building Codes
(3) Public Buildings
(4) On-bill Financing for Energy Efficiency and Renewable Energy;
(5) Tax Credits for Net Zero Energy Homes;
(6) Renewable Energy and Energy Efficiency Tax Credit Provisions; and
(7) Consumer Information.

MEANS: Amend sections: 107-28; 196, -6; 235,-12 Hawaii Revised Statutes.

JUSTIFICATION: A clean energy economy will reduce Hawaii's oil dependence and its consequent price volatility; and provide a measure of energy security. On January 28, 2008, the signing of a Memorandum of Understanding between the State of Hawaii and the U.S. Department of Energy launched HCEI. An initiative to utilize clean, renewable energy technologies, whereby Hawaii serves as an integrated model and demonstration test bed for the U.S. and other island communities. A national partnership to accelerate system transformation, whereby the following goals are achieved:

(1) Achieve a 70 percent clean energy economy for Hawaii within a generation.

(2) Increase Hawaii's energy security.
(3) Contribute to greenhouse gas reduction.
(4) Capture economic benefits of clean energy for all levels of society.
(5) Foster and demonstrate innovation.
(6) Build the workforce of the future.
(7) Serve as a national model.

Impact on the public: The transformation to a clean energy economy will reduce the dependence and consequent price volatility of petroleum, and attain a measure of energy security for the public.

Impact on the department and other agencies: The activities, programs, and resources of the state energy office will be impacted by the requirements of supporting and implementing this bill. The state energy office's resource requirements are included in the biennium budget.

GENERAL FUND: $1.55M for FY10

OTHER FUNDS: None

PPBS PROGRAM DESIGNATION: BED-120 SI

OTHER AFFECTED AGENCIES: Attorney General, Budget and Finance, Consumer Advocate, Public Utilities Commission, Taxation, Accounting and General Services, Land and Natural Resources

EFFECTIVE DATE: Upon approval.