
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:

2 (1) In the past, the global demand for petroleum and its
3 derivatives has caused severe economic hardships
4 throughout the State and threatened to impair the
5 State's public health, safety, and welfare. The State
6 of Hawaii, with its near total dependence on imported
7 fossil fuel, is particularly vulnerable to
8 dislocations in the global energy market. This
9 situation is ironic because there are few places in
10 the world so generously endowed with natural energy:
11 geothermal, solar radiation, ocean temperature
12 differential, wind, waves, and currents--all potential
13 non-polluting power sources;

14 (2) There is a real need for strategic comprehensive
15 planning in the effort towards achieving full use of
16 Hawaii's energy resource programs and the most
17 effective allocation of energy resources throughout
18 the State. Planning is necessary and desirable so



1 that the State may recognize and address the major
2 problems and opportunities in the field of energy
3 resources. Both short-range and long-range planning
4 will permit the articulation of:

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

6 (B) Criteria for measuring and evaluating
7 accomplishments of objectives;

8 (C) Identification and implementation of programs
9 that will carry out such objectives; and

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

12 Such planning efforts will identify present conditions
13 and major problems relating to energy resources, along
14 with their exploration, development, production, and
15 distribution. It will show the projected nature of
16 the situation and rate of change and present
17 conditions for the foreseeable future based on a
18 projection of current trends in the development of
19 energy resources in Hawaii;

20 (3) There are many agencies of the federal, state, and
21 county governments in Hawaii, as well as many private
22 agencies, engaged in, or expressing an interest in,



1 various aspects of the exploration, research,
2 distribution, conservation, and production of all
3 forms of energy resources in Hawaii. Some of these
4 agencies include the University of Hawaii, the
5 department of land and natural resources, the
6 department of business, economic development, and
7 tourism, the division of consumer advocacy, the
8 federal energy office, and various county agencies, as
9 well as oil companies, gas stations, and other private
10 enterprises; and

11 (4) There is an immediate need to coordinate the efforts
12 of all these agencies, establish and coordinate
13 programs to effectuate the conservation of fuel,
14 provide for the equitable distribution thereof, and
15 formulate plans for the development and use of
16 alternative energy sources. There is a need for such
17 coordination so that there will be maximum
18 conservation and use of energy resources in the State.

19 The purpose of this Act is to establish an office of energy
20 to assist in the development of a long range, comprehensive, and
21 strategic energy plan for Hawaii.



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

14 § -2 Office of energy; establishment. There is
15 established within the department of business, economic
16 development, and tourism an office of energy. The head of the
17 office shall be known as the director of the office of energy,
18 referred to in this chapter as director. The director shall
19 have:

20 (1) Training in the field of energy resources, public
21 administration, or other related fields;



- 1 (2) Experience in programs or services related to energy
2 resources and resource coordination; and
- 3 (3) Experience in a supervisory, consultative, or
4 administrative capacity.

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

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

18 **§ -3 Duties and responsibilities.** The office of energy
19 shall:

- 20 (1) Formulate plans, including objectives, criteria to
21 measure accomplishment of objectives, programs through
22 which the objectives are to be attained, and financial



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



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



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

19 **§ -4 Cooperation.** The office of energy shall seek the
20 widest possible cooperation from public and private agencies and
21 individuals and the federal government to achieve the purposes
22 of this chapter. It shall work closely with the energy



1 resources coordinator under section 196-3 to achieve an optimal
2 level of resource planning and research. It shall work closely
3 with and assist the counties in the promotion of coordinated
4 state and county planning efforts on energy resources.

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

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

18 **§ -5 Allocation of funds.** Any of the agencies of the
19 State to which general or special appropriations are made, or a
20 part of whose budget contains an allocation, or that makes an
21 allocation of funds for energy resource planning and research,
22 shall consult with the office of energy to ensure that all



1 expenditures are in accordance with, or in furtherance of, the
2 goals and objectives of the office of energy. After first
3 consulting with the director of business, economic development,
4 and tourism, the governor may withhold the expenditure of these
5 funds by any agency until the governor is satisfied that the
6 expenditures will implement those goals and objectives."

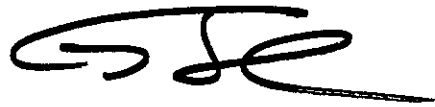
7 SECTION 2. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so much
9 thereof as may be necessary for fiscal year 2011-2012 for the
10 establishment of the office of energy.

11 The sum appropriated shall be expended by the department of
12 business, economic development, and tourism for the purposes of
13 this Act.

14 SECTION 3. This Act shall take effect on July 1, 2011.

15

INTRODUCED BY: _____



JAN 26 2011



Report Title:

Office of Energy

Description:

Establishes the office of energy to be administratively attached to the Department of Business, Economic Development, and Tourism.

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