
A BILL FOR AN ACT

RELATING TO BIOFUELS.

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

1 SECTION 1. The purpose of this Act is to expand the
2 applicability of the renewable energy facility siting process to
3 include biofuel production facilities and distribution
4 infrastructure with the capacity to produce or distribute one
5 hundred thousand gallons or more of biofuel annually.

6 SECTION 2. The legislature finds that the renewable energy
7 facility siting process serves to encourage the expeditious
8 permitting and development of renewable energy facilities in
9 Hawaii. The renewable energy facility siting process
10 accomplishes this by coordinating the relevant state and county
11 permitting agencies and collecting fees from permit applicants
12 to reimburse state and county agency costs to process the
13 necessary project permits within twelve months following final
14 acceptance of the document required under Chapter 343, Hawaii
15 Revised Statutes. To date, only one project has utilized the
16 renewable energy facility siting process; however, at least four
17 other projects statewide have applied for, or intend to apply
18 for, participation in the renewable energy facility siting



1 process. Many other developers and government agencies have
2 expressed interest in the renewable energy facility siting
3 process.

4 To help meet our State's clean energy goals, the State's
5 utilities will need adequate infrastructure in place to
6 transport, distribute, and store large amounts of biofuels in
7 Hawaii including inter-island transport. Facilitating the
8 permitting of such infrastructure will enable the State's
9 utilities to immediately increase their biofuel demand, which in
10 turn should encourage more supply from local biofuel producers.

11 Currently, only biofuel producers with the capacity to
12 produce one million gallons or more of biofuel annually are
13 eligible for the renewable energy facility siting process. Due
14 to emerging biofuel technologies, most biofuel projects
15 currently under development or planning in Hawaii are small
16 scale, pilot projects, some with the capacity to produce only
17 one hundred thousand gallons or more annually. The success of
18 these pilot facilities is critical to Hawaii's clean energy
19 independence as they are a precursor to the demonstration and
20 commercial scale phases of development.

21 The inclusion of biofuel production facilities and biofuel
22 distribution infrastructure with the capacity to produce or



1 distribute one hundred thousand gallons or more of biofuel
2 annually will further the State's interest in reducing Hawaii's
3 over-dependence on imported fossil fuels and meeting Hawaii's
4 energy self-sufficiency goals and mandates and will encourage
5 the timely development of renewable energy projects that utilize
6 Hawaii's indigenous renewable energy resources for the health,
7 safety, and welfare of the residents of Hawaii.

8 SECTION 3. Section 201N-1, Hawaii Revised Statutes, is
9 amended by amending the definition of "renewable energy
10 facility" or "facility" to read as follows:

11 "Renewable energy facility" or "facility" means a new
12 facility located in the State with the capacity to produce from
13 renewable energy at least two hundred megawatts of electricity;
14 provided that an electricity production facility with a
15 capability between five megawatts and one hundred ninety-nine
16 megawatts of electricity and a biofuel production facility or
17 distribution infrastructure with a capacity to produce or
18 distribute one ~~[million]~~ hundred thousand gallons or more
19 annually may apply to the coordinator for designation as a
20 renewable energy facility. The term includes any of the
21 following associated with the initial permitting and
22 construction of the facility:



- 1 (1) The land parcel on which the facility is situated;
- 2 (2) Any renewable energy production structure or
- 3 equipment;
- 4 (3) Any energy transmission line from the facility to a
- 5 public utility's electricity transmission or
- 6 distribution system;
- 7 (4) Any on-site infrastructure; and
- 8 (5) Any on-site building, structure, other improvement, or
- 9 equipment necessary for the production of electricity
- 10 or biofuel from the renewable energy site,
- 11 transmission of the electricity or biofuel, or any
- 12 accommodation for employees of the facility."

13 SECTION 4. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 5. This Act shall take effect upon its approval.

16



Report Title:

Renewable Energy Facility Siting Process; Biofuel Production
Facilities and Distribution Infrastructure

Description:

Modifies the renewable energy facility siting process to include
biofuel production facilities and distribution infrastructure with
capacity to produce or distribute one hundred thousand gallons or
more of biofuel annually. (SD1)

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legislation or evidence of legislative intent.*

