
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 relevant state and county
11 permitting agencies and collecting fees from permit applicants
12 to reimburse state and county agency for costs related to
13 processing the necessary project permits within twelve months
14 following final acceptance of the document required under
15 Chapter 343, Hawaii Revised Statutes. To date, only one project
16 has utilized the renewable energy facility siting process;
17 however, at least four other projects statewide have applied
18 for, or intend to apply for, participation in the renewable



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

4 To help meet our State's clean energy goals, the State's
5 utilities need adequate infrastructure, including inter-island
6 transport facilities, in place to transport, distribute, and
7 store large amounts of biofuels in Hawaii. 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.
14 However, consistent with the emerging nature of biofuel
15 technologies, most biofuel projects currently under development
16 or planning in Hawaii are small scale, pilot projects, some with
17 the capacity to produce only one hundred thousand gallons or
18 more annually. The success of these pilot facilities is
19 critical to Hawaii's clean energy independence as they are a
20 precursor to the demonstration and commercial scale phases of
21 development.



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

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

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



1 following associated with the initial permitting and
2 construction of the facility:

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

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

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

18



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. (SD2)

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