

MAR 12 2013

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO REQUEST THE INTEGRATED RESOURCE PLANS OF ELECTRIC UTILITIES TO INVESTIGATE WHETHER COAL AND OTHER NATURAL RESOURCES SHOULD BE INCLUDED IN THEIR FOSSIL FUEL PORTFOLIO TO ADDRESS HAWAII'S CHALLENGES REGARDING AFFORDABLE ELECTRICITY RATES, TRANSPORTATION FUELS, OIL INDEPENDENCE, NET ZERO CARBON FOOTPRINT, FOOD SECURITY AND FOOD SELF-SUFFICIENCY, AND WASTEWATER TREATMENT ALTERNATIVES.

1 WHEREAS, Act 99, Session Laws of Hawaii 2012, directs the
2 Public Utilities Commission to consider "the costs and benefits
3 of a diverse fossil fuel portfolio and of maximizing the
4 efficiency of all electric utility assets to lower and stabilize
5 the cost of electricity"; and

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7 WHEREAS, the Abercrombie administration advocates the
8 importation of liquefied natural gas; and

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10 WHEREAS, coal is cheaper than natural gas, liquefied
11 natural gas, and oil; and

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13 WHEREAS, the United States is the "Saudi Arabia" of coal
14 with the world's largest proven coal reserves, estimated to last
15 over two hundred years at current burn rates; and

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17 WHEREAS, the Hawaiian Electric Company, Inc. (Hawaiian
18 Electric), pays AES Hawaii, Inc., only 3 cents per kilowatt-hour
19 for coal-based generation, which is much cheaper than wind,
20 photovoltaic, and concentrated solar power feed-in tariff
21 pricing; and

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23 WHEREAS, Hawaiian Electric's 2012 residential rates
24 increased from 31.1 cents per kilowatt-hour to 34.5 cents per
25 kilowatt-hour, making things more difficult for Hawaii's



1 struggling working families, fixed-income retirees, and
2 ratepayers at-large; and
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4 WHEREAS, Hawaii's energy independence is not achievable
5 mid-term with the Public Utilities Commission testifying that
6 "our best estimates show that sixty percent of electricity
7 generation in the State will still come from fossil fuels in
8 2030"; and
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10 WHEREAS, oil price spikes that skyrocket jet fuel costs for
11 airlines will devastate Hawaii's tourist industry and overall
12 economy; and
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14 WHEREAS, carbon dioxide emissions can be captured from
15 stationary emitters but not non-stationary emitters; and
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17 WHEREAS, non-stationary emitters now consume sixty-five
18 percent of Hawaii's imported oil; and
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20 WHEREAS, coal-based generation is a stationary emitter
21 whose carbon dioxide can be captured and used as feedstock to
22 produce solar fuels and electrofuels to completely displace
23 petrol fuels used by non-stationary emitters; and
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25 WHEREAS, Hawaiian Electric does not have the latitude to
26 study clean coal in the integrated resource planning process
27 because of governing principles in the Public Utilities
28 Commission that state "[a]ny attempts to add new coal based
29 generation in Hawaii will be opposed by the parties"; now,
30 therefore,
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32 BE IT RESOLVED by the Senate of the Twenty-seventh
33 Legislature of the State of Hawaii, Regular Session of 2013, the
34 House of Representatives concurring, that the Department of
35 Business, Economic Development, and Tourism request that the
36 integrated resource plans of electric utilities investigate
37 whether coal and other natural resources should be included in
38 their fossil fuel portfolio to address Hawaii's challenges
39 regarding affordable electricity rates, transportation fuels,
40 oil independence, net zero carbon footprint, food security and
41 food self-sufficiency, and wastewater treatment alternatives;
42 and
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1 BE IT FURTHER RESOLVED that the Department of Business,
 2 Economic Development, and Tourism look at the full spectrum of
 3 natural resources before approving new renewable energy
 4 generation until the integrated resource planning process has
 5 been completed to prevent locking in unnecessarily high rates;
 6 and

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 8 BE IT FURTHER RESOLVED that the Department of Business,
 9 Economic Development, and Tourism is requested to submit
 10 findings and recommendations to the Legislature, including any
 11 necessary implementing legislation, no later than twenty days
 12 prior to the convening of the Regular Session of 2014; and

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 14 BE IT FURTHER RESOLVED that certified copies of this
 15 Concurrent Resolution be transmitted to the Governor, Director
 16 of Business, Economic Development, and Tourism, and Chairperson
 17 of the Public Utilities Commission.

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[Signature]

