

JAN 27 2021

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# A BILL FOR AN ACT

RELATING TO THE HAWAII STATE ENERGY OFFICE.

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

1       SECTION 1. The purpose of this Act is to clarify the core  
2 responsibilities of the Hawaii state energy office by:

3           (1) Expanding the duties of the Hawaii state energy office  
4           to include developing opportunities for economic  
5           development; and

6           (2) Transferring certain duties relating to energy  
7           efficiency, renewable energy, energy resilience, and  
8           clean transportation related incentives, programs, and  
9           goals from the chief energy officer to the Hawaii  
10          state energy office.

11       SECTION 2. Chapter 196, part V, Hawaii Revised Statutes,  
12 is amended to read as follows:

13               "~~[~~PART V.~~]~~ HAWAII STATE ENERGY OFFICE

14               ~~[~~§196-71~~]~~ Hawaii state energy office; established.

15       (a) There is established the Hawaii state energy office, which  
16 shall be a public body politic and an instrumentality and agency  
17 of the State. The office shall be placed within the department



1 of business, economic development, and tourism for  
2 administrative purposes, pursuant to section 26-35. The purpose  
3 of the Hawaii state energy office shall be to ~~[promote]~~  
4 stimulate economic development by promoting energy efficiency,  
5 renewable energy, energy resilience, and clean transportation  
6 ~~[to help achieve a resilient clean energy economy]~~.

7 (b) The Hawaii state energy office shall:

8 (1) Create and execute a state strategic energy plan with  
9 milestones and key performance indicator metrics based  
10 on this section;

11 (2) Coordinate the State's energy programs with those of  
12 the federal government, other territory and state  
13 governments, the political subdivisions of the State,  
14 departments of the State, and governments of nations  
15 with interest in common energy resources and economic  
16 development in accordance with the State's energy  
17 goals;

18 (3) Develop and maintain a comprehensive and systematic  
19 quantitative and qualitative capacity to analyze the  
20 status of the energy industry, resources, systems, and  
21 markets, both in-state and in other states and



1 countries, particularly in relation to the State's  
2 economy, and to recommend, develop proposals for, and  
3 assess the effectiveness of policy and regulatory  
4 decisions, and energy emergency planning;

5 ~~[(1)]~~ (4) Provide analysis, [and] planning,  
6 recommendations, and implementation of policies,  
7 strategies, and plans to [actively develop and inform  
8 ~~policies to]~~ achieve economic development, energy  
9 efficiency, renewable energy, energy resiliency, and  
10 clean transportation goals with the legislature,  
11 public utilities commission, state agencies, and other  
12 relevant stakeholders;

13 (5) Identify, in coordination with public and private  
14 sector stakeholders, issues and opportunities in the  
15 industry to cost-effectively and expeditiously achieve  
16 the State's energy goals;

17 (6) Create and review proposed state actions that may have  
18 a significant effect on the State's energy and  
19 economic development goals;

20 (7) Evaluate, recommend, and participate in the  
21 development of incentives and programs that encourage



1        the development of energy efficiency, renewable  
2        energy, energy resiliency, and clean transportation  
3        resources;

4        (8) Create and facilitate energy-based jobs and ancillary  
5        industry-based jobs that are primarily full-time,  
6        permanent, and long-term;

7        (9) Create and facilitate energy-based jobs and ancillary  
8        industry-based jobs that are temporary and short-term;

9        (10) Identify skills and knowledge-based job requirements  
10       to provide to education and workforce development  
11       agencies;

12       (11) Support the development, evaluation, revision, and  
13       adoption of energy-related codes and standards that  
14       advance the State's energy goals;

15       ~~[(+2)]~~ (12)    ~~[Lead efforts]~~ Advocate for, recommend programs,  
16       and provide technical assistance to incorporate energy  
17       efficiency, renewable energy, energy resiliency, and  
18       clean transportation to reduce costs and achieve clean  
19       energy, energy assurance, and energy resilience goals  
20       across all public facilities;



1       ~~[(3) Provide renewable energy, energy efficiency, energy~~  
2       ~~resiliency, and clean transportation project~~  
3       ~~deployment facilitation to assist private sector~~  
4       ~~project completion when aligned with state energy~~  
5       ~~goals; and~~

6       ~~(4)]~~ (13) Engage the private sector to help [lead] efforts  
7       to achieve renewable energy and clean transportation  
8       goals [through the Hawaii clean energy initiative.];

9       (14) Identify market gaps and innovation opportunities,  
10       collaborate with stakeholders, and facilitate public-  
11       private partnerships to develop projects, programs,  
12       and tools to encourage private and public exploration,  
13       research, and development of energy resources and data  
14       analytics that will support the State's energy and  
15       decarbonization goals;

16       (15) Facilitate and support a diverse mix of technologies  
17       of firm renewable and intermitted renewable projects  
18       to create a resilient and reliable energy system;

19       (16) Act as the State's energy data clearinghouse by  
20       identifying, collecting, compiling, analyzing,



1 publishing, and where possible, monetizing energy and  
2 clean transportation data and analyses;

3 (17) Advocate for the State's energy and economic  
4 development goals at relevant venues and departments,  
5 including but not limited to the legislature, public  
6 utilities commission, division of consumer advocacy  
7 within the department of commerce and consumer  
8 affairs, and community members, to ensure that state  
9 energy policies and regulations align with the state  
10 strategic goals, are data-driven, and offer affordable  
11 energy to residents and businesses;

12 (18) Facilitate the efficient, expedited development  
13 processes and approvals of energy efficiency,  
14 renewable energy, energy resiliency, and clean  
15 transportation projects by:

16 (A) Facilitating coordination across state and local  
17 government agencies, departments, boards, and  
18 commissions to assist public and private sector  
19 development and completion of any projects that  
20 support the state economic development and energy  
21 goals;



(B) Coordinating and aligning state and county departments and agencies to support, expedite, and remove barriers to deployment of energy initiatives and projects;

(C) Identifying and evaluating conflicting goals, rules, and resource utilization and onerous policies and rules within state and county departments that unreasonably impede project development and deployment;

(D) Proposing regulatory, legislative, administrative, or other solutions to applicable stakeholders; and

(E) Facilitating resolution to process and approval issues;

(19) Identify and recommend policies to align utility goals with those of ratepayers, including but not limited to evaluating utility models, models of competition, utility independent power producer procurement and delivery processes, and plans for renewable portfolio standards achievement that best support state energy goals;



1       (20) Contract for services when required for the  
2           implementation of this part; and

3       (21) Adopt rules, pursuant to chapter 91, for the  
4           administration of this part.

5           (c) The Hawaii state energy office shall be the State's  
6 primary government entity for supporting the clean energy  
7 initiative.

8           (d) No later than twenty days prior to the convening of  
9 each regular session, or as requested, the Hawaii state energy  
10 office shall submit a report to the legislature and the governor  
11 that includes:

12           (1) A description of the activities of the Hawaii state  
13 energy office in response to the directives  
14 established pursuant to subsection (b) [~~and section~~  
15 ~~196-72(d)~~], along with progress in meeting any of the  
16 Hawaii state energy office goals established in or  
17 pursuant to this part;

18           (2) Performance milestones and indicators related to the  
19           State's energy, economic development, and jobs  
20           creation goals;





1       ~~[(+2)]~~ (3) Progress by the State in meeting its energy  
2               efficiency, renewable energy, and clean transportation  
3               goals; and

4       ~~[(+3)]~~ (4) Proposed legislation, if any to achieve economic  
5               development, energy efficiency, renewable energy,  
6               energy resiliency, and clean transportation goals.

7       ~~[+]§196-72[+]~~ **Chief energy officer of the Hawaii state**  
8 **energy office; duties.** (a) The Hawaii state energy office  
9 shall be led by the chief energy officer, who shall be nominated  
10 and, by and with the advice and consent of the senate, appointed  
11 by the governor; provided that the term of the chief energy  
12 officer shall be coterminous with the term of the governor.

13       (b) The chief energy officer shall have:

14       (1) Experience, knowledge, and expertise in policy,  
15               programs, or services related to economic development,  
16               energy efficiency, renewable energy, energy  
17               resiliency, and clean transportation~~[, and energy~~  
18               resiliency] related activities and development; and

19       (2) Experience in a supervisory or administrative  
20               capacity.



1 (c) The chief energy officer shall hire staff necessary to  
2 carry out the purposes of this part. The chief energy officer  
3 and employees of the Hawaii state energy office shall be exempt  
4 from chapter 76 and shall not be considered civil service  
5 employees but shall be entitled to any employee benefit plan  
6 normally inuring to civil service employees.

7 ~~[(d) Subject to the approval of the governor, the chief~~  
8 ~~energy officer shall:~~

9 ~~(1) Formulate, analyze, recommend, and implement specific~~  
10 ~~policies, strategies, and plans, in coordination with~~  
11 ~~public and private sector stakeholders, to cost-~~  
12 ~~effectively and equitably achieve the State's energy~~  
13 ~~goals;~~

14 ~~(2) Identify, track, and report key performance measures~~  
15 ~~and milestones related to the State's energy and~~  
16 ~~decarbonization goals;~~

17 ~~(3) Provide technical assistance to state and county~~  
18 ~~agencies to assess and implement projects and programs~~  
19 ~~related to energy conservation and efficiency,~~  
20 ~~renewable energy, clean transportation, energy~~  
21 ~~resiliency, and related measures;~~



- ~~(4) Coordinate the State's energy programs with those of the federal government, other territory and state governments, the political subdivisions of the State, departments of the State, and governments of nations with interest in common energy resources;~~
- ~~(5) Identify market gaps and innovation opportunities, collaborate with stakeholders, and facilitate public-private partnerships to develop projects, programs, and tools to encourage private and public exploration, research, and development of energy resources, distributed energy resources, and data analytics that will support the State's energy and decarbonization goals;~~
- ~~(6) Create and review proposed state actions that may have a significant effect on the State's energy and decarbonization goals, report to the governor their effect on the energy program, and perform other services as may be required;~~
- ~~(7) Evaluate, recommend, and participate in the development of incentives and programs that encourage the development of energy efficiency, renewable~~



- 1 ~~energy, energy resiliency, distributed energy~~  
2 ~~resources, and clean transportation resources;~~
- 3 ~~(8) Assess and evaluate the effectiveness and continued~~  
4 ~~necessity of existing energy related incentives, tax~~  
5 ~~credits, and programs, and provide recommendations and~~  
6 ~~proposed changes;~~
- 7 ~~(9) Develop and maintain a comprehensive and systematic~~  
8 ~~quantitative and qualitative capacity to analyze the~~  
9 ~~status of energy resources, systems, and markets, both~~  
10 ~~in state and in other states and countries,~~  
11 ~~particularly in relation to the State's economy, and~~  
12 ~~to recommend, develop proposals for, and assess the~~  
13 ~~effectiveness of policy and regulatory decisions, and~~  
14 ~~energy emergency planning;~~
- 15 ~~(10) Develop and recommend programs for, and assist public~~  
16 ~~agencies in the implementation of, energy assurance~~  
17 ~~and energy resilience;~~
- 18 ~~(11) Support the development, evaluation, revision, and~~  
19 ~~adoption of energy related codes and standards that~~  
20 ~~advance the State's energy goals;~~



- ~~(12) Act as the State's energy data clearinghouse by identifying, collecting, compiling, analyzing, publishing, and where possible, monetizing energy and clean transportation data and analyses;~~
- ~~(13) Advocate for the State's energy and decarbonization goals at relevant venues and departments, including but not limited to the public utilities commission, legislature, and division of consumer advocacy, to ensure that state energy policies and regulations align with the state strategic goals and are data-driven;~~
- ~~(14) Support economic development and innovation initiatives related to and resulting from the State's renewable energy and distributed energy resources experience, capabilities, and data analyses;~~
- ~~(15) Facilitate the efficient, expedited permitting of energy efficiency, renewable energy, clean transportation, and energy resiliency projects by:~~
- ~~(A) Coordinating and aligning state and county departments and agencies to support, expedite,~~



1 ~~and remove barriers to deployment of energy~~

2 ~~initiatives and projects; and~~

3 ~~(B) Identify and evaluate conflicting or onerous~~

4 ~~policies and rules that unreasonably impede~~

5 ~~project development and deployment and propose~~

6 ~~regulatory, legislative, administrative, or other~~

7 ~~solutions to applicable stakeholders;~~

8 ~~(16) Identify and recommend policies to align utility goals~~

9 ~~with those of ratepayers, including evaluating utility~~

10 ~~models that best support state energy goals;~~

11 ~~(17) Prepare and submit an annual report and other reports~~

12 ~~as may be requested to the governor and to the~~

13 ~~legislature on the implementation of this part;~~

14 ~~(18) Contract for services when required for the~~

15 ~~implementation of this part; and~~

16 ~~(19) Adopt rules, pursuant to chapter 91, for the~~

17 ~~administration of this part.] "~~

18 SECTION 3. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

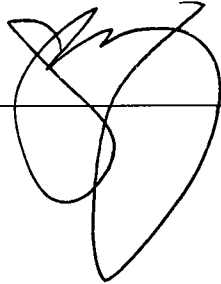
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1        SECTION 4.    This Act shall take effect upon its approval.

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INTRODUCED BY:

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# S.B. NO. 1353

**Report Title:**

Hawaii State Energy Office; Economic Development; Duties

**Description:**

Expands the duties of the Hawaii State Energy Office to include developing opportunities for economic development. Transfers certain duties relating to energy efficiency, renewable energy, energy resilience, and clean transportation related incentives, programs, and goals from the Chief Energy Officer to the Hawaii State Energy Office.

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