## A BILL FOR AN ACT

RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

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

- 1 SECTION 1. The legislature finds that, as Hawaii
- 2 progresses toward achieving its renewable energy and
- 3 decarbonization goals, energy efficiency remains the most
- 4 cost-effective way to reduce emissions associated with
- 5 electricity generation and consumption, while providing
- 6 financial benefits for customers. The legislature also finds
- 7 that in 2008, the State, in partnership with the United States
- 8 Department of Energy, established the Hawaii clean energy
- 9 initiative, which included goals for energy efficiency.
- 10 Subsequently, Act 155, Session Laws of Hawaii 2009, codified
- 11 these energy efficiency goals by establishing an
- 12 energy-efficiency portfolio standard under section 269-96,
- 13 Hawaii Revised Statutes, which sets the statewide energy
- 14 efficiency goal for 2030 at four thousand three hundred gigawatt
- 15 hours and directs the public utilities commission to establish
- 16 interim goals for 2015, 2020, and 2025. Now, fifteen years
- 17 later, the legislature further finds that it is appropriate to

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- 1 expand these goals and require the public utilities commission
- 2 to establish interim goals to ensure that the commission can
- 3 continue its work developing and overseeing the State's
- 4 energy-efficiency portfolio standards beyond 2030.
- 5 The purpose of this Act is to extend and further develop
- 6 the energy-efficiency portfolio standards established and
- 7 overseen by the public utilities commission.
- 8 SECTION 2. Section 196-62.5, Hawaii Revised Statutes, is
- 9 amended by amending subsection (b) to read as follows:
- 10 "(b) As may be applicable, an agency shall consult with
- 11 the public benefits fee administrator of the commission [prior
- 12 to] before planning an energy-efficiency measure subject to this
- 13 section. The agency's proposed energy-efficiency measures shall
- 14 meet or exceed the public benefits fee administrator's enhanced
- 15 efficiency levels and requirements to be eligible for the Hawaii
- 16 green infrastructure loan program. The agency shall coordinate
- 17 with the public benefits fee administrator throughout the entire
- 18 project cycle to ensure that energy efficiency is maximized.
- 19 All supporting documentation required by the public benefits fee
- 20 administrator shall be provided by the agency to ensure

- 1 compliance with the State's energy-efficiency portfolio
- 2 [standard] standards under section 269-96."
- 3 SECTION 3. Section 269-96, Hawaii Revised Statutes, is
- 4 amended by amending subsections (b) through (e) to read as
- 5 follows:
- 6 "(b) The energy-efficiency portfolio standards shall be
- 7 designed to achieve four thousand three hundred gigawatt hours
- 8 of electricity use reductions statewide by 2030[ $\div$ ] and six
- 9 thousand gigawatt hours of electricity use reductions statewide
- 10 by 2045; provided that the public utilities commission shall
- 11 establish interim goals for electricity use reduction to be
- 12 achieved by 2015, 2020, [and] 2025, 2035, and 2040, and may also
- 13 adjust the 2030 [standard] and 2045 standards and any interim
- 14 standards by rule or order to maximize cost-effective
- energy-efficiency programs and technologies [-]; provided further
- 16 that the interim goals established by the public utilities
- 17 commission shall show clear progress towards meeting the State's
- 18 2030 and 2045 energy-efficiency portfolio standards.
- 19 (c) The public utilities commission may establish, by rule
- 20 or order, incentives and penalties based on performance in

- 1 achieving the energy-efficiency portfolio standards [by rule or
- 2 order].
- 3 (d) The public utilities commission shall evaluate the
- 4 energy-efficiency portfolio [standard] standards every five
- 5 years, beginning in 2013, [and may revise the standard, based on
- 6 the best information available at the time, ] to determine if the
- 7 energy-efficiency portfolio [standard] standards established by
- 8 this section [remains] remain effective and achievable[-] and
- 9 may revise the standards, based on the best information
- 10 available at the time. The public utilities commission shall
- 11 report its findings and revisions to the energy-efficiency
- 12 portfolio [standard,] standards, based on its own studies and
- 13 other information, to the legislature no later than twenty days
- 14 before the convening of the regular session of 2014, and every
- 15 five years thereafter.
- 16 (e) Beginning in 2015, electric energy savings brought
- 17 about by the use of renewable displacement or off-set
- 18 technologies, including solar water heating and sea-water
- 19 air-conditioning district cooling systems, shall count toward
- 20 [this standard.] these standards."

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect on July 1, 3000.

### Report Title:

PUC; Energy-Efficiency Portfolio Standards; Extension

### Description:

Requires energy-efficiency portfolio standards to be designed to achieve 6,000 gigawatt hours of electricity use reductions statewide by 2045. Requires the Public Utilities Commission to establish additional interim standards for electricity use reduction to be achieved by 2035 and 2040. Authorizes the Public Utilities Commission to adjust the 2030 and 2045 standards and any interim standards. Effective 7/1/3000. (SD1)

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