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



1 that the public utilities commission can continue its work  
2 developing and overseeing the State's energy-efficiency  
3 portfolio standards beyond 2030.

4 The purpose of this Act is to extend and further develop  
5 the energy-efficiency portfolio standards established and  
6 overseen by the public utilities commission.

7 SECTION 2. Section 269-96, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "[~~§~~269-96~~§~~] **Energy-efficiency portfolio standards.** (a)

10 The public utilities commission shall establish energy-  
11 efficiency portfolio standards that will maximize cost-effective  
12 energy-efficiency programs and technologies.

13 (b) The energy-efficiency portfolio standards shall be  
14 designed to achieve [~~four thousand three hundred~~] six thousand  
15 gigawatt hours of [~~electricity use reductions~~] cumulative  
16 persisting electricity savings statewide by [~~2030;~~] 2045;  
17 provided that the commission shall establish interim goals for  
18 electricity use reduction to be achieved by 2015, 2020, [~~and~~]  
19 2025, 2030, 2035, and 2040, and may also adjust the [~~2030~~  
20 ~~standard~~] 2045 and interim standards by rule or order to



1 maximize cost-effective energy-efficiency programs and  
2 technologies.

3 For the purposes of this subsection, "cumulative persisting  
4 electricity savings" means the total electric energy savings in  
5 a given year from measures installed in that year or in previous  
6 years, but no earlier than January 1, 2009, that are still  
7 operational and providing savings in that year because the  
8 measures have not yet reached the end of their useful lives.

9 (c) The commission may establish, by rule or order,  
10 incentives and penalties based on performance in achieving the  
11 energy-efficiency portfolio standards [~~by rule or order~~].

12 (d) The public utilities commission shall evaluate the  
13 energy-efficiency portfolio [~~standard~~] standards every five  
14 years, beginning in 2013, [~~and may revise the standard, based on~~  
15 ~~the best information available at the time,~~] to determine if the  
16 energy-efficiency portfolio [~~standard~~] standards established by  
17 this section [~~remains~~] remain effective and achievable[~~-~~] and  
18 may revise the standards, based on the best information  
19 available at the time. The commission shall report its findings  
20 and revisions to the energy-efficiency portfolio [~~standard,~~]  
21 standards, based on its own studies and other information, to



1 the legislature no later than twenty days before the convening  
2 of the regular session of 2014, and every five years thereafter.

3 (e) Beginning in 2015, electric energy savings brought  
4 about by the use of renewable displacement or off-set  
5 technologies, including solar water heating and sea-water air-  
6 conditioning district cooling systems, shall count toward [~~this~~  
7 ~~standard.~~] these standards.

8 (f) Beginning in 2023, demand response programs and  
9 related activities conducted by electric utility companies,  
10 including those conducted in cooperation with the public  
11 benefits fee administrator, shall count toward these standards  
12 in a manner determined by the commission by rule or order."

13 SECTION 3. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

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

16 INTRODUCED BY: *Nicole E. Lowen*

JAN 18 2023



# H.B. NO. 193

**Report Title:**

Energy-efficiency Portfolio Standards; Extension; Public Utilities Commission; Demand Response Activities

**Description:**

Extends the State's energy-efficiency portfolio standards from 2030 to 2045. Authorizes the public utilities commission to establish interim goals. Clarifies that certain demand response programs and related activities count toward the portfolio standards.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

