## A BILL FOR AN ACT

RELATING TO GREENHOUSE GAS EMISSIONS.

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

- 1 SECTION 1. The legislature finds that greenhouse gas 2 emission is one of the most serious global problems the world 3 The Intergovernmental Panel on Climate Change, convened 4 by the United Nations in 1988, and consisting of many of the 5 world's preeminent scientists, reports that increased 6 concentrations of carbon dioxide and other gases have altered 7 the climate by causing global warming. 8 Potential impacts from global warming include a rise in sea 9 levels, flooding of low-lying land (including atolls), salt 10 water intrusion into drinking water aquifers, an increase in extremely hot and extremely cold days, more droughts, more 11 12 extreme rainfall events, an expansion of the range and incidence 13 of serious diseases, destruction of ecosystems, and the loss of 14 countless plant and animal species. 15 The nations of the world took steps toward curbing global 16 warming by developing an international treaty on December 11, 17 1997, in Kyoto, Japan to reduce greenhouse gas emissions. The 18 Kyoto Protocol to the United Nations Framework Convention on
  - HB LRB 06-0720.doc

- 1 Climate Change sets reduction targets for the industrialized
- 2 nations of the world to abridge the amount of harmful greenhouse
- 3 gases emitted into the atmosphere.
- 4 While the United States, the single largest emitter of
- 5 greenhouse gases, declined to ratify the treaty, efforts are
- 6 nonetheless underway to reduce greenhouse gas emissions. The
- 7 Regional Greenhouse Gas Initiative, for example, is a
- 8 cooperative effort by nine northeast and mid-Atlantic states
- 9 that focuses on reducing power plant emissions. The Chicago
- 10 Climate Exchange, a self-regulatory exchange developed by
- 11 twenty-eight large companies and cities (including Chicago and
- 12 Mexico City), administers the world's first multi-national and
- 13 multi-sector marketplace for reducing and trading greenhouse gas
- 14 emissions.
- 15 Power plants that burn fossil fuels are recognized as the
- 16 biggest sources of carbon pollution. Accordingly, the purpose
- 17 of this Act is to reduce greenhouse gas emissions from public
- 18 utilities that produce power and from independent power
- 19 producers that supply power to the electric utility grid.
- 20 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
- 21 amended by adding a new section to be appropriately designated
- 22 and to read as follows:

```
1
                   Greenhouse gas emission; powers; reporting
2
    requirement. (a) The public utilities commission shall lead
3
    and advance the process of developing and implementing
4
    greenhouse gas emission reduction from public utilities that
5
    supply electricity and from independent power producers that
    supply power to the electric utility grid. This may include,
6
7
    but is not limited to, implementing emissions targets and other
8
    methods to cost-effectively minimize and control greenhouse gas
9
    emissions.
10
              The commission shall submit annual reports to the
11
    legislature on recommended incentives and strategies for the
12
    reduction of greenhouse gas emission from public utilities that
13
    supply electricity and independent power producers that supply
14
    power to the electric utility grid."
15
         SECTION 3. The commission shall conduct an investigation
16
    of methods to minimize and control greenhouse gas emissions from
17
    public utilities supplying electricity and independent power
18
    producers that supply power to the electric utility grid. This
19
    shall include, but is not limited to, an investigation of
20
    emission caps and trades, carbon taxes, carbon credits,
21
    emissions mitigation fees, and adequate methods for monitoring
22
    and verifying mitigation projects. The investigation shall
```

- incorporate evaluation of other states' and nations' attempts to 1
- 2 reduce greenhouse gas emissions from power utilities and shall
- 3 result in the commission's proposal of appropriate measures to
- 4 ensure the reduction of greenhouse gas emissions pursuant to
- 5 section 269- , Hawaii Revised Statutes.
- 6 The commission shall submit a report on its investigation
- 7 to the legislature no later than twenty days prior to the
- 8 convening of the 2007 regular session. The report shall
- 9 include: the results of the investigation; the commission's
- 10 recommendations, plans, and timetable for implementation of
- 11 greenhouse gas emission reduction measures; and proposals for
- 12 legislation that may be needed to implement greenhouse gas
- 13 emission reduction.
- 14 SECTION 4. New statutory material is underscored.
- 15 SECTION 5. This Act shall take effect upon its approval.

16

INTRODUCED BY: 14:514 Cardwell

3. Lee

HB 2232

## Report Title:

Public Utilities; Greenhouse Gas Emissions

## Description:

Authorizes the public utilities commission to lead and advance greenhouse gas emission reduction for public utilities supplying electricity.

HB LRB 06-0720.doc

