### A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

- 1 SECTION 1. The legislature finds that a strong 2 agricultural sector is essential for Hawaii's food security and 3 can be an integral part of Hawaii's energy security. Long term contracts for biomass production can improve agricultural 4 producers' economic position while contributing to Hawaii's 5 6 energy diversification. The purpose of this Act is to require that by 2015, a 7 minimum of two per cent of each utility's renewable portfolio 8 standard be from biofuel or from agricultural producers. 9 10 SECTION 2. Section 269-92, Hawaii Revised Statutes, is 11 amended by amending subsection (b) to read as follows: 12 The public utilities commission may establish standards for each utility that prescribe what portion of the 13 14 renewable portfolio standards shall be met by specific types of 15 renewable energy resources; provided that:
- 16 (1) Prior to January 1, 2015, at least fifty per cent of
  the renewable portfolio standards shall be met by



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1	elec	trical energy generated using renewable energy as
2	the	source, and after December 31, 2014, the entire
3	rene	wable portfolio standard shall be met by
4	elec	trical generation from renewable energy sources;
5	prov	ided that after December 31, 2014, at least two
6	per	cent of the renewable portfolio standard shall be
7	met	by electrical energy generated using agricultural
8	ener	gy as the source. For the purposes of this
9	para	graph, "agricultural energy" includes energy
10	prod	uced:
11	(A)	By a biofuel processing facility, as defined in
12		section 205-4.5(a)(15), which is located in the
13		State and produces more than five hundred
14		thousand gallons of biofuel per year;
15	<u>(B)</u>	Using commercial agricultural products or
16		commodities raised, grown, or maintained in the
17		State by a commercial agricultural enterprise
18		that produces more than one million pounds of
19		products or commodities per year; and
20	<u>(C)</u>	By a commercial agricultural enterprise that
21		produces more than one million pounds of products
22		or commodities per year;

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1	(2)	Beginning January 1, 2015, electrical energy savings
2		shall not count toward renewable energy portfolio
3		standards;
4	(3)	Where electrical energy is generated or displaced by
5		combination of renewable and nonrenewable means, the
6		proportion attributable to the renewable means shall
7		be credited as renewable energy; and
8	(4)	Where fossil and renewable fuels are co-fired in the
9		same generating unit, the unit shall be considered to
10		generate renewable electrical energy (electricity) in
11		direct proportion to the percentage of the total heat
12		input value represented by the heat input value of the
13		renewable fuels."
14	SECT	ION 3. New statutory material is underscored.
15	SECT	ION 4. This Act shall take effect on July 1, 2010.

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### Report Title:

Renewable Energy; Agriculture

### Description:

Requires that by 2015 a minimum of two per cent of each utility's renewable portfolio standard be from biofuel or from agricultural producers.

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