
A BILL FOR AN ACT

RELATING TO ENERGY EFFICIENCY.

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

1 SECTION 1. In January 2008, the United States Department
2 of Energy and the State of Hawaii signed a Memorandum of
3 Understanding to strengthen cooperation to implement clean
4 energy technologies that will increase energy efficiency and
5 maximize use of the state's vast and abundant renewable
6 resources. The legislature finds that the establishment of this
7 long-term partnership, called the Hawaii Clean Energy Initiative
8 is designed to transform Hawaii's energy system into one that
9 uses renewable energy and energy-efficient technologies for a
10 significant portion of its energy needs. The partnership aims
11 to put Hawaii on a path to supply seventy per cent of its energy
12 needs using clean energy by 2030, which can significantly reduce
13 Hawaii's current crude oil consumption. The legislature further
14 finds that this type of clean energy transformation will help to
15 stabilize and strengthen Hawaii's economy by reducing its
16 dependency on imported fossil fuels and enhance its environment
17 by sharply reducing greenhouse gas emissions.



1 As a leader in clean energy technologies, the legislature
2 finds that the United States Department of Energy is working
3 with the State of Hawaii to further the potential of its natural
4 resources, including wind, sun, and bioenergy resources, and
5 engage experts in clean energy technology development to help
6 Hawaii to launch projects with public and private sector
7 partners that target opportunities and critical needs for
8 Hawaii's transition to a clean energy economy, including:

9 (1) Designing cost-effective approaches for the exclusive
10 use of renewable energy on smaller islands;

11 (2) Designing systems to improve the stability of electric
12 grids operating with variable generating sources, such
13 as wind power plants on the islands of Hawaii and
14 Maui;

15 (3) Minimizing energy use while maximizing energy
16 efficiency and renewable energy technologies at new
17 large military housing developments;

18 (4) Expanding Hawaii's capability to use locally grown
19 crops and byproducts for producing fuel and
20 electricity; and



(5) Assisting in the development of comprehensive energy regulatory and policy frameworks for promoting clean energy technology use.

The legislature further finds that similar to the strategy of establishing a renewable energy portfolio standard, an energy efficiency portfolio standard sets a target of electricity use reduction to be achieved in incremental stages as end-use energy efficiency programs can make a significant and cost-effective contribution to achieving the goals and objectives of the Hawaii Clean Energy Initiative. Therefore the purpose of this bill is to maximize cost-effective energy efficiency programs and technologies through the establishment of an energy efficiency portfolio standard to achieve electricity use reductions to the maximum extent feasible.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§269- Energy efficiency portfolio standards. (a) The public utilities commission shall establish energy efficiency portfolio standards that will maximize cost-effective energy efficiency programs and technologies.



1 (b) The energy efficiency portfolio standards shall be
2 designed to achieve four thousand three hundred gigawatt hours
3 of electricity use reductions statewide by 2030; provided that
4 the commission shall establish interim goals for electricity use
5 reduction to be achieved by 2015, 2020, and 2025, and may also
6 adjust the 2030 standard by rule or order to maximize cost-
7 effective energy efficiency programs and technologies.

8 (c) The commission shall establish incentives and
9 penalties based on performance in achieving the energy
10 efficiency portfolio standards by rule or order."

11 SECTION 3. New statutory material is underscored.

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



Report Title:

Energy Efficiency Portfolio

Description:

Directs the public utilities commission to establish energy efficiency portfolio standards. (HB429 HD1)

