#### THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

S.B. NO. <sup>2331</sup> S.D. 2

## A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

SECTION 1. The legislature finds that a strong
 agricultural sector is essential for Hawaii's food security and
 can be an integral part of Hawaii's energy security. Long-term
 contracts for sales of electricity can improve agricultural
 producers' economic position while contributing to Hawaii's
 energy diversification.

7 The purpose of this Act is to modify the renewable 8 portfolio standards to specify that beginning January 1, 2015, a 9 minimum of two per cent of electrical power generation, as 10 measured by kilowatt hours, be met from renewable power 11 generated by facilities that commercially produce food products 12 or biofuels in tandem with the production of electrical power. 13 Section 269-92, Hawaii Revised Statutes, is SECTION 2. amended by amending subsection (b) to read as follows: 14 15 "(b) The public utilities commission may establish 16 standards for each utility that prescribe what portion of the

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renewable portfolio standards shall be met by specific types of
 renewable energy resources; provided that:

3 (1) Prior to January 1, 2015, at least fifty per cent of 4 the renewable portfolio standards shall be met by 5 electrical energy generated using renewable energy as 6 the source  $[\tau]$  and after December 31, 2014, the entire 7 renewable portfolio standard shall be met by 8 electrical generation from renewable energy sources; (2) Beginning January 1, 2015, electrical energy savings 9 10 shall not count toward renewable energy portfolio 11 standards;

12 (3) Where electrical energy is generated or displaced by a
13 combination of renewable and nonrenewable means, the
14 proportion attributable to the renewable means shall
15 be credited as renewable energy; [and]

16 (4) Where fossil and renewable fuels are co-fired in the
17 same generating unit, the unit shall be considered to
18 generate renewable electrical energy [4]or renewable
19 electricity[4] in direct proportion to the percentage
20 of the total heat input value represented by the heat
21 input value of the renewable fuels[-]; and

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1	(5)	Beginning January 1, 2015, at least two per cent of
2		net electrical power generation, as measured by
3		kilowatt-hours, shall be met from electrical power
4		generated by facilities that commercially produce
5		biofuels or food, feed, or wood products in tandem
6		with the production of electrical power; provided that
7		if the electric utility company is unable to meet the
8		two per cent energy requirement due to an insufficient
9		supply of energy being produced by facilities that
10		commercially produce biofuels or food, feed, or wood
11		products in tandem with the production of electrical
12		power, the electric utility company shall not be
13		required to meet the two per cent energy requirement
14		until the supply of energy produced by facilities that
15		commercially produce biofuels or food, feed, or wood
16		products in tandem with the production of electrical
17		power is sufficient to meet two per cent of net
18		electrical power generation requirement. For the
19		purposes of this paragraph, a facility engaged in the
20		commercial production of biofuels is one that produces
21		over five hundred thousand gallons of biofuel per
22		year; and a facility engaged in the commercial



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1	production of food, feed, or wood products is one that
2	produces over fifty thousand pounds of saleable
3	product per year."
4	SECTION 3. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 4. This Act shall take effect on July 1, 2050.



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#### Report Title:

Renewable Energy; Agriculture

#### Description:

Requires that by January 1, 2015, a minimum of two per cent of each utility's net electrical power generation be from biofuel or from agricultural producers. (SD2)

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