
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 the State has
2 committed to transition away from fossil fuels and toward a
3 clean energy economy powered by one hundred per cent renewable
4 energy. The State has also committed to reducing carbon
5 emissions. This renewable energy transformation will help to
6 stabilize and strengthen Hawaii's economy by reducing its
7 dependency on imported and price-volatile fossil fuels, foster
8 innovation and clean energy job growth, help protect Hawaii's
9 environment by greatly reducing carbon emissions by replacing
10 fossil fuel energy with renewable energy, and positioning Hawaii
11 as a global leader in renewable energy and climate solutions.

12 The legislature took a bold and decisive step toward
13 achieving its renewable energy goals by passing Act 23, Session
14 Laws of Hawaii 2020, which eliminated the use of coal in Hawaii
15 for electricity production. Hawaii must further commit to the
16 path of eliminating the use of all types of fossil fuels for
17 electricity generation, not just coal-powered electricity



1 generation. The legislature further finds that Hawaii must also
2 eliminate the use of fossil fuel-powered electricity generated
3 for battery energy storage resources interconnected to a public
4 utility's grid. Not only does fossil fuel-powered electricity
5 used to fill battery energy storage resources further encourage
6 fossil fuel use, but it also results in inherent inefficiencies
7 and higher costs to ratepayers because of wasteful energy losses
8 when fossil fuel-powered electricity flows through a battery
9 energy storage resource prior to distribution to ratepayers on
10 the grid.

11 The purpose of this Act is to eliminate fossil fuels in
12 Hawaii for electricity generation and storage.

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

16 "§269- Elimination of fossil fuels for electricity
17 production. (a) Beginning after December 31, 2045, the public
18 utilities commission shall not approve or extend any electricity
19 generation facility that applies or proposes to use fossil fuels
20 to generate electricity or to store electricity into a public
21 utility grid-tied energy storage system resource.



1 (b) By December 31, 2045, electricity generation
2 facilities shall cease the use of all fossil fuels for the
3 generation or storage of electricity.

4 (c) The public utilities commission shall not approve any
5 application or proposal for public utility cost recovery for any
6 generation or storage facilities that use fossil fuels, except
7 as provided under section 269-6(d)(3); provided that, if the
8 commission determines that the generation or storage facility is
9 unable to meet the requirements of this section due to reasons
10 beyond reasonable control of the generation or storage facility,
11 as set forth in subsection (d), the commission, in its
12 discretion, may waive in whole or in part, any otherwise
13 applicable penalties.

14 (d) Events or circumstances that are outside of a
15 generation or storage facility's control may include, to the
16 extent the event or circumstance would not be reasonably
17 foreseen and ameliorated:

- 18 (1) Weather-related damage;
- 19 (2) Natural disasters;
- 20 (3) Mechanical or resource failure;



- 1 (4) Failure of renewable electrical energy producers to
- 2 meet contractual obligations to the facility;
- 3 (5) Labor strikes or lockouts;
- 4 (6) Actions of governmental authorities that adversely
- 5 affect the generation, transmission, or distribution
- 6 of renewable electrical energy under contract with a
- 7 facility;
- 8 (7) Inability to acquire sufficient renewable electrical
- 9 energy to meet the renewable portfolio standard goals
- 10 beyond 2030 in a manner that is beneficial to the
- 11 State's economy in relation to comparable fossil fuel
- 12 resources;
- 13 (8) Substantial limitations, restrictions, or prohibitions
- 14 on renewable electrical energy utility projects; and
- 15 (9) Other events and circumstances of a similar nature."

16 SECTION 3. Section 269-6, Hawaii Revised Statutes, is
 17 amended by amending subsection (b) to read as follows:

18 "(b) The public utilities commission shall consider the
 19 need to reduce the State's reliance on fossil fuels through
 20 energy efficiency and increased renewable energy generation in
 21 exercising its authority and duties under this chapter. In



1 making determinations of the reasonableness of the costs of
2 fossil fuel electricity generation and fossil fuel-powered
3 energy storage utility system capital improvements and
4 operations, the commission shall explicitly consider,
5 quantitatively or qualitatively, the effect of the State's
6 reliance on fossil fuels on [~~price~~]:

- 7 (1) Price volatility [~~, export~~];
- 8 (2) Export of funds for fuel imports [~~, fuel~~];
- 9 (3) Fuel supply reliability risk [~~, and greenhouse~~]; and
- 10 (4) Greenhouse gas emissions.

11 The commission may determine that short-term costs or direct
12 costs of renewable energy generation and renewable energy-
13 powered energy storage that are higher than alternatives relying
14 more heavily on fossil fuels are reasonable, considering the
15 impacts resulting from the use of fossil fuels."

16 SECTION 4. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 5. This Act shall take effect on July 1, 2055.



Report Title:

Renewable Energy Generation; Fossil Fuel; Prohibition; Public Utilities Commission

Description:

Prohibits, after December 31, 2045, the approval or extension of any electricity generation facility that applies or proposes to use fossil fuels to generate electricity or store electricity into a public utility grid-tied energy storage system resource. Prohibits, after December 31, 2045, the use of fossil fuels for the generation or storage of electricity. Prohibits the Public Utilities Commission from approving applications or proposals for public utility cost recovery from any generation or storage facilities that use fossil fuels, except in certain circumstances. Effective 7/1/2055. (SD2)

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