A BILL FOR AN ACT

RELATING TO THE HAWAII HYDROGEN STRATEGIC PLAN.

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

| 1 | SECT | ION 1. The Hawaii natural energy institute shall |
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| 2 | conduct a | study to examine the State's ability to advance |
| 3 | hydrogen | production from local renewable energy resources. The |
| 4 | study sha | ll consider: |
| 5 | (1) | Hydrogen resource availability and the feasibility to |
| 6 | | produce and use hydrogen locally; |
| 7 | (2) | Water usage needed for hydrogen production; |
| 8 | (3) | Costs, benefits, and impacts; |
| 9 | (4) | Potential end-user markets; |
| 10 | (5) | Permitting and regulatory hurdles, including |
| 11 | | infrastructure planning; |
| 12 | (6) | Use of hydrogen as a transportation fuel and grid- |
| 13 | | level resource; |
| 14 | (7) | Technical and economic feasibility and environmental |
| 15 | | benefits of using hydrogen in key areas to resolve |
| 16 | | resiliency issues; |

| 1 | (8) | Implementation pathways needed to facilitate the |
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| 2 | | production, storage, and delivery mechanisms |
| 3 | | throughout the State; |
| 4 | (9) | Opportunities to combine utility and resource needs |
| 5 | | for hydrogen production and usage of waste products or |
| 6 | | renewable energy resources around the State; |
| 7 | (10) | Whether the construction of hydrogen projects in each |
| 8 | | county of the State is feasible, considering physical |
| 9 | | layouts of project sites, geographic limitations, and |
| 10 | | utility requirements; |
| 11 | (11) | Economic impact as an export commodity or other |
| 12 | | revenue generating opportunity; and |
| 13 | (12) | The technical feasibility, economic viability, and |
| 14 | | permitting requirements of local hydrogen production |
| 15 | | from renewable resources and the transportation of end |
| 16 | | use points compared to the importation and |
| 17 | | distribution of bulk green hydrogen into the State |
| 18 | | from the United States and other countries. |
| 19 | SECT | ION 2. (a) The Hawaii natural energy institute shall |
| 20 | develop a | Hawaii hydrogen strategic plan utilizing the results |
| 21 | of its st | udy required by section 1 of this Act, which shall: |

| 1 | (1) | Develop a long-term hydrogen plan for 2023 through |
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| 2 | | 2050; |
| 3 | (2) | Field non-governmental organization stakeholder input |
| 4 | | and identify implementation and deployment strategies |
| 5 | | to successfully build hydrogen production, storage, |
| 6 | | distribution, and fueling infrastructure across the |
| 7 | | State; |
| 8 | (3) | Review existing permitting application and review |
| 9 | | processes and identify amendments that may be |
| 10 | | necessary to develop standards for the construction of |
| 11 | | facilities that support hydrogen production, storage, |
| 12 | | transport, and dispensing; |
| 13 | (4) | Propose policies to encourage production and usage of |
| 14 | | hydrogen utilizing economic incentives, tax credits, |
| 15 | | tariffs, or other methods, to grow the supply of |
| 16 | | available hydrogen; |
| 17 | (5) | Provide recommendations that would facilitate |
| 18 | | implementation of the hydrogen plan, including |
| 19 | | legislation and necessary regulatory and economic |
| 20 | | investments; and |

| 1 | (6) Specify strategies to reduce emissions, address |
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| 2 | disproportionate energy and transportation costs in |
| 3 | neighbor island communities, and improve resiliency |
| 4 | for the State. |
| 5 | (b) The Hawaii natural energy institute shall review and |
| 6 | update the plan required in subsection (a) every four years, |
| 7 | beginning in 2027. |
| 8 | SECTION 3. In conducting the study and developing the |
| 9 | Hawaii hydrogen strategic plan required by sections 1 and 2 of |
| 10 | this Act, respectively, and any updates thereto, the Hawaii |
| 11 | natural energy institute shall, as appropriate, consult with th |
| 12 | department of business, economic development, and tourism; the |
| 13 | state energy office; public utilities commission; or any other |
| 14 | applicable state or county agency, which shall cooperate and |
| 15 | provide necessary resources as requested by the Hawaii natural |
| 16 | energy institute. The Hawaii natural energy institute shall |
| 17 | further consult with other electric utilities and industry |
| 18 | stakeholders, who are encouraged to cooperate and provide |
| 19 | information or input. |
| 20 | SECTION 4. The Hawaii natural energy institute shall |
| 21 | submit a report of its findings and recommendations, including |

- any proposed legislation, to the legislature no later than 1
- twenty days prior to the convening of the regular session of 2
- 2023, and for every year in which the Hawaii hydrogen strategic 3
- plan is reviewed, amended, or updated. 4
- SECTION 5. There is appropriated out of the general 5
- revenues of the State of Hawaii the sum of \$ 6
- much thereof as may be necessary for fiscal year 2022-2023 for 7
- the completion of the study and development of the Hawaii 8
- 9 hydrogen strategic plan required by this Act.
- The sum appropriated shall be expended by the Hawaii 10
- natural energy institute for the purposes of this Act. 11
- This Act shall take effect on July 1, 2022. 12 SECTION 6.

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INTRODUCED BY: Nirole E. Loven

Report Title:

Hawaii Hydrogen Strategic Plan; Hawaii Natural Energy Institute; Study; Appropriation

Description:

Requires the Hawaii Natural Energy Institute to conduct a study to examine the State's ability to advance hydrogen production from local renewable energy resources and develop the Hawaii Hydrogen Strategic Plan utilizing the results of its study, which shall be reviewed and updated every four years. Requires a report to the Legislature. Appropriates funds.

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