H.B. NO. <sup>2738</sup> H.D. 2 S.D. 1

# 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 installation of on-site, distributed energy resources, such as rooftop solar and 2 battery storage, is not only one of the most cost-effective ways 3 to reduce greenhouse gas emissions and other pollutants 4 5 associated with electricity generation and consumption, but also provides affordable and resilient power for Hawaii's energy 6 7 system users. Energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, 8 9 yet the State has not undertaken efforts to maximize on-site 10 renewable generation at many of its own facilities, forgoing 11 millions of dollars in potential savings.

With one of the State's primary areas of focus being economic recovery and resilience in the wake of the August 2023 Maui wildfires and the lingering impacts of the coronavirus disease 2019 pandemic, the legislature recognizes the importance of elevating Hawaii's growing clean energy industry, which can diversify the economy, create new jobs, contribute to workforce





development, and help the State meet critical energy goals. The
legislature also finds that it is imperative for all state
agencies to control their energy usage and lower their utility
bills in the interest of being responsible with taxpayer
dollars.

6 Further, the State has long recognized its responsibility 7 to mitigate the effects of natural and man-made emergencies, 8 which can result in extreme peril to life, property, and the 9 resources of the State, and generally to protect the health and 10 safety and preserve the lives and property of the people of the 11 State. In 2021, the legislature made history by becoming the 12 first state in the nation to declare a climate emergency. 13 Senate Concurrent Resolution No. 44, S.D. 1, H.D. 1 (2021), 14 acknowledges that an existential climate emergency threatens 15 humanity and the natural world, declares a climate emergency, 16 and requests statewide collaboration toward an immediate just 17 transition and emergency mobilization effort to restore a safe 18 climate; and resolves that entities statewide are requested to 19 pursue these climate mitigation and adaptation efforts and 20 mobilize at the necessary scale and speed.

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1 The legislature further finds that the growing climate 2 crisis threatens health and well-being through the impacts of 3 extreme weather events. Most recently, the horrific losses 4 caused by the August 2023 Maui wildfires clearly demonstrate the need for the State to reduce wildfire ignition risk and build 5 6 grid resiliency, which can be significantly aided by distributed 7 rooftop solar and energy storage. Stronger storms as a result of global warming are more likely to cause power outages and 8 9 down power lines, and in addition to the risk of sparking 10 wildfires, can be costly in terms of lives lost, economic 11 impact, and public health. In addition, extreme weather events 12 can result in severe damage to port infrastructure at Hawaii's 13 harbors, resulting in disruption and ceasing of port activity, 14 and cutting off the ability of cargo shipments, including 15 emergency supplies, to be received. The legislature finds that 16 building Hawaii's resilience to the effects of global warming is 17 in the best interests of the people of Hawaii.

18 To ensure that preparations within the State will be 19 adequate to deal with such emergencies, particularly in 20 situations where there has been disruption to the electric grid 21 and port activity, the legislature finds that state agencies,



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1	provide emergency services and be open to the general
2	public during times of emergency.
3	SECTION 2. Chapter 196, Hawaii Revised Statutes, is
4	amended by adding a new section to part II to be appropriately
5	designated and to read as follows:
6	" <u>§196- Distributed energy resource installation for</u>
7	state facilities. (a) Agencies shall take measures to assess
8	the potential and feasibility of installing distributed energy
9	resource systems at each state facility and shall submit a
10	report to the legislature, detailing the findings as follows:
11	(1) Beginning on January 1, 2025, for all state facilities
12	that have not implemented section 36-41 since 2010;
13	and
14	(2) Beginning on January 1, 2027, for all other state
15	facilities.
16	(b) Agencies shall implement and install the distributed
17	energy resource systems detailed in the reports authorized under
18	subsection (a) no later than five years from the issue date of
19	the reports; provided that no entity shall claim tax credits or
20	deductions, or depreciate assets under title 14, for
21	implementing cost-effective energy efficiency measures pursuant





1	to this section; provided further that nothing in this
2	subsection shall prohibit facilities from implementing cost-
3	effective energy efficiency measures sooner than indicated under
4	subsection (a)(1) or (2).
5	(c) Applicable agencies shall assess the feasibility of
6	developing resilience hubs, which may be located at public or
7	private facilities and when feasible should be equipped with
8	distributed energy resource systems, that can provide emergency
9	services and be open to the general public during times of
10	emergency.
11	(d) Priority for measures described in subsections (a) and
12	(b) shall be given to first responder facilities.
13	(e) For purposes of this section:
14	"Cost-effective energy efficiency measure" means any energy
15	efficiency measure where the cost of the energy efficiency
16	measure is equal to or less than the estimated savings over a
17	period of twenty years or the life of the installed components,
18	whichever is less.
19	"Distributed energy resource system" means an assembly of
20	energy generating or energy storing materials, or any combined
21	assembly of solar_energy_generating_and_energy_storing



1	materials, sited at or on a facility and the related
2	infrastructure necessary for its operation.
3	"Energy efficiency measure" means any energy services,
4	projects, and equipment, including but not limited to building
5	or facility energy conservation enhancing, demand management, or
6	demand response retrofits, which may include energy saved
7	offsite by water or other utility enhancing retrofits, to
8	improve the energy efficiency or reduce energy costs of the
9	facility.
10	"First responder" includes a firefighter, paramedic,
11	emergency medical technician, or other individual who, in the
12	course of the individual's professional duties, respond to fire,
13	medical, hazardous material, or other similar emergencies.
14	"Resilience hub" means any facility that is open to the
15	general public for the purpose of providing emergency response
16	services, including but not limited to shelter, food, water,
17	medicine, emergent or urgent care medical services, energy,
18	electricity, telecommunications, internet access, fuel, and
19	electric vehicle charging."
20	SECTION 3. New statutory material is underscored.
21	SECTION 4. This Act shall take effect on July 1, 2112.





### Report Title:

Renewable Energy; Distributed Energy Resource Systems; Resilience Hubs; Feasibility; Report; State Agencies; State Facilities; First Responder Facilities; Solar Energy

### Description:

Requires state agencies to assess the potential and feasibility of installing distributed energy resource systems at each state facility and submit a report to the Legislature detailing their findings; implement and install the distributed energy resource systems detailed in the reports no later than five years from the issue date of the reports; and assign priority for the authorized cost-effective energy efficiency measures to first responder facilities. Requires applicable state agencies to assess the feasibility of developing resilience hubs that can provide emergency services and be open to the general public during times of emergency. Takes effect 7/1/2112. (SD1)

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