

---

# 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 Hawaii is an  
2 isolated island chain that is uniquely vulnerable to climate  
3 change. As evidenced by the August 8, 2023, wildfires that  
4 devastated Lahaina and impacted areas of West Maui and other  
5 communities, climate disasters increasingly threaten the State's  
6 well-being.

7           Act 109, Session Laws of Hawaii 2011, amended section  
8 269-6, Hawaii Revised Statutes, to require the public utilities  
9 commission to explicitly consider the effect of the State's  
10 reliance on fossil fuels in various areas, including greenhouse  
11 gas emissions, in its determinations of the reasonableness of  
12 various costs. When Act 109 was being considered, the members  
13 of the senate standing committee on energy and environmental  
14 protection found that "Hawaii is dangerously reliant on imported  
15 fossil fuel, which subjects the State and residents to greater  
16 oil and gas price volatility, increased air pollution, and  
17 potentially harmful climate change due to the release of harmful



1 greenhouse gases". The standing committee also found that  
2 requiring the commission to factor in the hidden and long-term  
3 costs of the State's detrimental reliance on fossil fuels when  
4 exercising its statutory authority would assist in reducing the  
5 State's reliance on fossil fuels.

6 The purpose of this act is to clarify that the public  
7 utilities commission may determine that analysis of the effect  
8 of the State's reliance on fossil fuels on lifecycle greenhouse  
9 gas emissions is not necessary for energy projects that do not  
10 involve the combustion of fuel.

11 SECTION 2. Section 269-1, Hawaii Revised Statutes, is  
12 amended by adding a new definition to be appropriately inserted  
13 and to read as follows:

14 "Lifecycle greenhouse gas emission assessment" means the  
15 method used to estimate the greenhouse gas impact of a product  
16 or fuel based on a set of established system boundaries for the  
17 product, project, or fuel's value chain, that includes the  
18 extraction and processing of raw materials, manufacturing and  
19 processing of materials, transportation and distribution,  
20 lifetime use, recycling, and the final disposal."



1 SECTION 3. Section 269-6, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsections (a) and (b) to read:

4 "(a) The public utilities commission shall have the  
5 general supervision hereinafter set forth over all public  
6 utilities, and shall perform the duties and exercise the powers  
7 imposed or conferred upon it by this chapter. Included among  
8 the general powers of the public utilities commission is the  
9 authority to adopt rules pursuant to chapter 91 necessary for  
10 the purposes of this chapter.

11 (b) The public utilities commission shall consider the  
12 need to reduce the State's reliance on fossil fuels through  
13 energy efficiency and increased renewable energy generation in  
14 exercising its authority and duties under this chapter. In  
15 making determinations of the reasonableness of the costs  
16 pertaining to electric or gas utility system capital  
17 improvements and operations, the public utilities commission  
18 shall explicitly consider, quantitatively or qualitatively, the  
19 effect of the State's reliance on fossil fuels on:

- 20 (1) Price volatility;
- 21 (2) Export of funds for fuel imports;



- 1 (3) Fuel supply reliability risk; and
- 2 (4) [~~Greenhouse~~] Lifecycle greenhouse gas emissions[-] for  
3 projects involving the combustion of fuel; provided  
4 that the public utilities commission may require a  
5 lifecycle greenhouse gas emissions analysis for energy  
6 projects that do not involve the combustion of fuel.

7 The public utilities commission may determine that short-term  
8 costs or direct costs of renewable energy generation that are  
9 higher than alternatives relying more heavily on fossil fuels  
10 are reasonable, considering the impacts resulting from the use  
11 of fossil fuels. The public utilities commission shall  
12 determine whether such analysis is necessary for proceedings  
13 involving water, wastewater, or telecommunications providers on  
14 an individual basis."

15 2. By amending subsection (d) to read:

16 "(d) In exercising its authority and duties under this  
17 chapter, the public utilities commission shall consider the  
18 costs and benefits of a diverse [~~fossil-fuel~~] portfolio of  
19 energy resources and of maximizing the efficiency of all  
20 electric utility assets to lower and stabilize the cost of  
21 electricity. Nothing in this section shall subvert the



1 obligation of electric utilities to meet the renewable portfolio  
2 standards set forth in section 269-92."

3 3. By amending subsection (f) to read:

4 "(f) The chairperson of the public utilities commission  
5 may appoint a hearings officer, who shall not be subject to  
6 chapter 76, to hear and recommend decisions in any proceeding  
7 before it other than a proceeding involving the rates or any  
8 other matters covered in the tariffs filed by the public  
9 utilities. The hearings officer shall have the power to take  
10 testimony, make findings of fact and conclusions of law, and  
11 recommend a decision; provided that the findings of fact, the  
12 conclusions of law, and the recommended decision shall be  
13 reviewed and may be approved by the public utilities commission  
14 after notice to the parties and an opportunity to be heard. The  
15 hearings officer shall have all of the above powers conferred  
16 upon the public utilities commission under section 269-10."

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

19 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

PUC; Renewable Energy; Lifecycle Greenhouse Gas Emissions

**Description:**

Amends section 269-6, Hawaii Revised Statutes, to clarify that the Public Utilities Commission shall consider the effect of the State's reliance on fossil fuels on lifecycle greenhouse gas emissions and may require a lifecycle greenhouse gas emissions analysis for energy projects that do not involve the combustion of fuel. Makes conforming amendments. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

