# A BILL FOR AN ACT

RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

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

- 1 SECTION 1. The legislature finds that, as Hawaii
- 2 progresses toward achieving its renewable energy and
- 3 decarbonization goals, energy efficiency remains the most cost-
- 4 effective way to reduce emissions associated with electricity
- 5 generation and consumption, while providing financial benefits
- 6 for customers. The legislature also finds that, in 2008, the
- 7 State, in partnership with the United States Department of
- 8 Energy, established the Hawaii clean energy initiative, which
- 9 included goals for energy efficiency. Subsequently, Act 155,
- 10 Session Laws of Hawaii 2009, codified these energy efficiency
- 11 goals by establishing an energy-efficiency portfolio standard
- 12 under section 269-96, Hawaii Revised Statutes, which sets the
- 13 statewide energy efficiency goal for 2030 at four thousand three
- 14 hundred gigawatt hours and directs the public utilities
- 15 commission to establish interim goals for 2015, 2020, and 2025.
- 16 Now, nearly fifteen years later, the legislature further finds
- 17 that it is appropriate to extend these goals and ensure that the



# H.B. NO. 193

- 1 public utilities commission can continue its work developing and
- 2 overseeing the State's energy-efficiency portfolio standards
- 3 beyond 2030.
- 4 The purpose of this Act is to extend and further develop
- 5 the energy-efficiency portfolio standards established and
- 6 overseen by the public utilities commission.
- 7 SECTION 2. Section 196-62.5, Hawaii Revised Statutes, is
- 8 amended by amending subsection (b) to read as follows:
- 9 "(b) As may be applicable, an agency shall consult with
- 10 the public benefits fee administrator of the commission prior to
- 11 planning an energy-efficiency measure subject to this section.
- 12 The agency's proposed energy-efficiency measures shall meet or
- 13 exceed the public benefits fee administrator's enhanced
- 14 efficiency levels and requirements to be eligible for the Hawaii
- 15 green infrastructure loan program. The agency shall coordinate
- 16 with the public benefits fee administrator throughout the entire
- 17 project cycle to ensure that energy efficiency is maximized.
- 18 All supporting documentation required by the public benefits fee
- 19 administrator shall be provided by the agency to ensure
- 20 compliance with the State's energy-efficiency portfolio
- 21 [standard] standards under section 269-96."

SECTION 3. Section 269-96, Hawaii Revised Statutes, is 1 2 amended by amending subsections (b) through (e) to read as 3 follows: The energy-efficiency portfolio standards shall be 4 5 designed to achieve [four thousand three hundred] six thousand 6 gigawatt hours of [electricity use reductions] cumulative 7 persisting electricity savings statewide by [2030;] 2045; 8 provided that the commission shall establish interim goals for 9 electricity use reduction to be achieved by 2015, 2020, [and] 10 2025, 2030, 2035, and 2040, and may also adjust the [<del>2030</del> 11 standard] 2045 and interim standards by rule or order to 12 maximize cost-effective energy-efficiency programs and 13 technologies. 14 For the purposes of this subsection, "cumulative persisting 15 electricity savings" means the total electric energy savings in 16 a given year from measures installed in that year or in previous 17 years, but no earlier than January 1, 2009, that are still 18 operational and providing savings in that year because the 19 measures have not yet reached the end of their useful lives.

1 The commission may establish, by rule or order, incentives and penalties based on performance in achieving the 2 3 energy-efficiency portfolio standards [by rule or order]. 4 The public utilities commission shall evaluate the energy-efficiency portfolio [standard] standards every five 5 years, beginning in 2013, [and may revise the standard, based on 6 7 the best information available at the time, ] to determine if the 8 energy-efficiency portfolio [standard] standards established by 9 this section [remains] remain effective and achievable [-] and 10 may revise the standards, based on the best information 11 available at the time. The commission shall report its findings 12 and revisions to the energy-efficiency portfolio [standard,] 13 standards, based on its own studies and other information, to 14 the legislature no later than twenty days before the convening 15 of the regular session of 2014, and every five years thereafter. 16 Beginning in 2015, electric energy savings brought 17 about by the use of renewable displacement or off-set 18 technologies, including solar water heating and sea-water air-19 conditioning district cooling systems, shall count toward [this 20 standard.] these standards."

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect on July 1, 2050.

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## Report Title:

Energy-efficiency Portfolio Standards; Extension; Public Utilities Commission

### Description:

Extends the State's energy-efficiency portfolio standards from 2030 to 2045. Authorizes the public utilities commission to establish interim goals. Effective 7/1/2050. (SD1)

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