THE SENATE
THIRTY-THIRD LEGISLATURE, 2025
STATE OF HAWAII

S.B. NO. 700

JAN 17 2025

A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

SECTION 1. The legislature finds that the installation of on-site, distributed energy resources, such as rooftop solar and battery storage, is not only one of the most cost-effective ways to reduce greenhouse gas emissions and other pollutants associated with electricity generation and consumption, but also provides affordable and resilient power for the State's energy system users. Energy used to power buildings accounts for more than fifty per cent of the electricity consumed in the State, yet the State has not undertaken efforts to maximize on-site renewable generation at many of its own facilities, forgoing 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 COVID-19 pandemic, the legislature recognizes the importance of elevating the State'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.

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

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

To ensure that preparations within the State will be adequate to deal with such emergencies, particularly in situations where there has been disruption to the electric grid

and port activity, the legislature finds that state agencies, and in particular, first responders, should have the ability to have full-functioning capabilities toward recovery efforts. Maintaining electricity at facilities, especially of first responders, is therefore paramount in these recovery efforts.

Accordingly, the purpose of this Act is to:

(1) Require the department of accounting and general services to assess the potential and feasibility of installing distributed energy resource systems at each state facility and submit a report to the legislature detailing the department's findings;

(2) Require state facilities to implement and install the distributed energy resource systems detailed in the required reports no later than five years from the issue date of the reports;

(3) Require applicable 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; and

(4) Assign priority for the required state facilities' cost-effective energy efficiency measures to first responder facilities.

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

"**§196- Distributed energy resource installation for state facilities.** (a) The department of accounting and general services shall assess the potential and feasibility of installing distributed energy resource systems at each facility and shall submit a report to the legislature, detailing the department's findings as follows:

(1) Beginning on January 1, 2026, for all facilities that have not implemented section 36-41 since 2010; and

(2) Beginning on January 1, 2028, for all other facilities.

(b) Each agency shall implement and install the distributed energy resource systems at the facilities detailed in the reports under subsection (a) no later than five years from the issue date of the reports; provided that no agency shall claim tax credits or deductions, or depreciate assets

under title 14, for implementing cost-effective energy efficiency measures pursuant to this section; provided further that nothing in this subsection shall prohibit the agencies from implementing cost-effective energy efficiency measures at the facilities sooner than indicated under subsection (a)(1) or (2).

(c) Applicable agencies shall assess the feasibility of developing resilience hubs, which may be located at public or private facilities, and when feasible, shall be equipped with distributed energy resource systems, that can provide emergency services and be open to the general public during times of emergency.

(d) Priority for measures described in subsections (a) and (b) shall be given to first responder facilities.

(e) For purposes of this section:

"Cost-effective energy efficiency measure" means any energy efficiency measure where the cost of the energy efficiency measure is equal to or less than the estimated savings over a period of twenty years or the life of the installed components, whichever is less.

"Distributed energy resource system" means an assembly of energy generating or energy storing materials, or any combined

assembly of solar energy generating and energy storing materials, sited at or on a facility and the related infrastructure necessary for its operation.

"Energy efficiency measure" means any energy services, projects, and equipment, including but not limited to building or facility energy conservation enhancing, demand management, or demand response retrofits, which may include energy saved offsite by water or other utility enhancing retrofits, to improve the energy efficiency or reduce the energy costs of the facility.

"First responder" includes a firefighter, paramedic, emergency medical technician, or other individual who, in the course of the individual's professional duties, responds to fire, medical, hazardous material, or other similar emergencies.

"Resilience hub" means any facility that is open to the general public for the purpose of providing emergency response services, including but not limited to shelter, food, water, medicine, emergency or urgent care medical services, energy, electricity, telecommunications, internet access, fuel, and electric vehicle charging."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY: _____

S.B. NO. 700

Report Title:
DAGS; Renewable Energy; State Facilities; First Responder Facilities; Distributed Energy Resource Systems; Resilience Hubs; Feasibility; Reports

Description:
Requires the Department of Accounting and General Services to assess the potential and feasibility of installing distributed energy resource systems at each state facility and submit reports to the Legislature detailing the department's findings. Requires state facilities to implement and install the distributed energy resource systems detailed in the required reports no later than five years from the issue date of the reports. Requires applicable 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. Assigns priority for the required state facilities' cost-effective energy efficiency measures to first responder facilities.

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