S.B. NO. 643

JAN 1 7 2025

### 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 The legislature also finds that, in 2008, the for customers. 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, more than fifteen years later, the legislature further 17 finds that it is appropriate to extend these goals and ensure

2025-0217 SB HMSO

1

S.B. NO. 643

2

that the public utilities commission can continue its work
 developing and overseeing the State's energy-efficiency
 portfolio standards 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, is8 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. All supporting documentation required by the public benefits fee 18 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."



Page 2

### S.B. NO. 643

1 SECTION 3. Section 269-96, Hawaii Revised Statutes, is 2 amended by amending subsections (b) through (e) to read as 3 follows: 4 "(b) The energy-efficiency portfolio standards shall be 5 designed to achieve [four thousand three hundred] six thousand 6 gigawatt hours of [electricity-use reductions] cumulative persisting electricity savings statewide by [2030;] 2045; 7 provided that the commission shall establish interim goals for 8 9 electricity use reduction to be achieved by 2015, 2020, [and] 10 2025, 2030, 2035, and 2040, and may also adjust the [2030 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 measures have not yet reached the end of their useful lives. 19



Page 3

## S.B. NO. (43)

| 1  | (c) The commission may establish, by rule or order,                                 |
|----|---|
| 2  | incentives and penalties based on performance in achieving the                      |
| 3  | energy-efficiency portfolio standards [ <del>by rule or order</del> ].              |
| 4  | (d) The public utilities commission shall evaluate the                              |
| 5  | energy-efficiency portfolio [ <del>standard</del> ] <u>standards</u> every five     |
| 6  | years, beginning in 2013, [and may-revise the standard, based on                    |
| 7  | the best information available at the time, ] to determine if the                   |
| 8  | energy-efficiency portfolio [ <del>standard</del> ] <u>standards</u> 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 | (e) 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."  |

### 2025-0217 SB HMSO

Page 4

Page 5

4

S.B. NO. 643

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 Statutory material to be repealed is bracketed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

**3** SECTION 5. This Act shall take effect upon its approval.

200 INTRODUCED BY:



# S.B. NO. 643

#### Report Title:

Energy-efficiency Portfolio Standards; Extension; Public Utilities Commission

#### Description:

Extends the State's energy-efficiency portfolio standards from 2030 to 2045 and updates the standards. Authorizes the public utilities commission to adjust the 2045 and interim standards.

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

