
HOUSE CONCURRENT RESOLUTION

REQUESTING THE HAWAII STATE ENERGY OFFICE TO CONVENE A WORKING GROUP TO STUDY THE POTENTIAL IMPACTS OF LARGE DATA CENTERS ON HAWAII'S ELECTRIC UTILITIES, RATEPAYERS, NATURAL RESOURCES, AND CLIMATE GOALS.

1 WHEREAS, rapid advances in artificial intelligence and
2 cloud computing have led to a dramatic increase in the
3 construction of large-scale data centers, including "hyperscale"
4 facilities that house thousands of servers and require massive
5 amounts of electricity to operate; and
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7 WHEREAS, these facilities are essential components of the
8 digital economy but are also among the most energy-intensive
9 types of commercial infrastructure; and
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11 WHEREAS, data centers consumed approximately 4.4 percent of
12 total electricity in the United States in 2023 and could consume
13 between 6.7 percent and twelve percent of total electricity by
14 2028 as demand for artificial intelligence computing continues
15 to expand; and
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17 WHEREAS, the rapid growth in electricity demand from data
18 centers has raised concerns among policymakers across the United
19 States that large new power loads may require costly investments
20 in new generation, transmission, and grid infrastructure; and
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22 WHEREAS, without appropriate regulatory safeguards, the
23 costs of such infrastructure investments may be borne by
24 existing residential and small-business ratepayers rather than
25 by the data center developers whose projects create the demand
26 for those upgrades; and
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28 WHEREAS, policymakers in multiple states and in Congress
29 have begun exploring measures to ensure that data center



1 developers pay their fair share of grid upgrade costs and that
2 electricity consumers are protected from higher utility bills
3 associated with data center expansion; and
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5 WHEREAS, the rapid expansion of artificial intelligence
6 infrastructure has also raised concerns regarding grid
7 reliability and the potential for electricity shortages or
8 increased risk of outages if new large electricity loads are not
9 carefully planned and integrated into the electric system; and
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11 WHEREAS, in addition to electricity consumption, data
12 centers can require substantial water resources for cooling,
13 with medium-sized facilities using tens of millions of gallons
14 of water annually and the largest facilities potentially using
15 hundreds of millions to billions of gallons each year; and
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17 WHEREAS, the siting and operation of data centers may also
18 increase greenhouse gas emissions if new fossil fuel generation
19 is built or existing fossil fuel plants operate more frequently
20 to meet the facilities' electricity demand; and
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22 WHEREAS, article XI, section 7, of the Hawaii State
23 Constitution establishes the State's affirmative duty to
24 protect, control, and regulate the use of Hawaii's water
25 resources for the benefit of its people; and
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27 WHEREAS, Hawaii's isolated island electric grids are
28 uniquely sensitive to large new electricity loads and require
29 careful planning to ensure that new infrastructure investments
30 do not undermine the State's clean energy goals or place
31 additional financial burdens on residents; and
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33 WHEREAS, although Hawaii has not yet received proposals for
34 large hyperscale data centers, the rapid national growth of
35 artificial intelligence infrastructure suggests that such
36 proposals may arise in the future; and
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38 WHEREAS, it is prudent for the State to proactively
39 evaluate regulatory frameworks and safeguards to ensure that any
40 future data center development in Hawaii protects ratepayers,
41 safeguards environmental resources, and aligns with the State's
42 renewable energy and climate goals; now, therefore,



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2 BE IT RESOLVED by the House of Representatives of the
3 Thirty-third Legislature of the State of Hawaii, Regular Session
4 of 2026, the Senate concurring, that the Hawaii State Energy
5 Office is requested to convene a working group to study the
6 potential impacts of large data centers requiring electricity of
7 five megawatts or more in instantaneous demand on Hawaii's
8 electric utilities, ratepayers, natural resources, and climate
9 goals; and

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11 BE IT FURTHER RESOLVED that the working group is requested
12 to consist of the following members:

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14 (1) The Chief Energy Officer of the Hawaii State Energy
15 Office, or the Chief Energy Officer's designee, who
16 shall serve as chair of the working group;
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18 (2) The Director of Business, Economic Development, and
19 Tourism, or the Director's designee;
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21 (3) The Chairperson of the Board of Land and Natural
22 Resources, or the Chairperson's designee;
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24 (4) The Chairperson of the Public Utilities Commission, or
25 the Chairperson's designee;
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27 (5) Representatives from electric utilities in the State,
28 as invited by the chair;
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30 (6) Representatives from consumer advocacy and
31 environmental organizations, as invited by the chair;
32 and
33
34 (7) Other stakeholders, as invited by the chair; and
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36 BE IT FURTHER RESOLVED that the working group is requested
37 to examine potential regulatory safeguards and policy options,
38 including but not limited to:

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40 (1) Mechanisms to ensure that data center developers bear
41 the full cost of any new electricity generation,



1 transmission, distribution, or grid infrastructure
2 required to serve their facilities;

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- 4 (2) Measures to protect residential and small-business
5 ratepayers from increased electricity costs associated
6 with large new electricity loads;
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- 8 (3) Requirements for transparency and reporting regarding
9 electricity consumption, water usage, and greenhouse
10 gas emissions associated with data center operations;
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- 12 (4) Strategies to ensure that data centers operating in
13 Hawaii are powered by renewable energy and do not
14 undermine the State's statutory clean energy goals;
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- 16 (5) Consideration of water use and other environmental
17 impacts associated with data center cooling systems;
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- 19 (6) Grid reliability considerations related to large
20 electricity loads on Hawaii's island grids; and
- 21
- 22 (7) Any other regulatory safeguards that may be necessary
23 to ensure that data center development, if it occurs
24 in Hawaii, provides net benefits to the State and its
25 residents; and
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27 BE IT FURTHER RESOLVED that the working group is requested
28 to submit a report of its findings and recommendations,
29 including any proposed legislation or regulatory actions, to the
30 Legislature no later than twenty days prior to the convening of
31 the Regular Session of 2027; and

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33 BE IT FURTHER RESOLVED that the working group shall cease
34 to exist on June 30, 2027; and

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36 BE IT FURTHER RESOLVED that certified copies of this
37 Concurrent Resolution be transmitted to the Director of
38 Business, Economic Development, and Tourism; Chairperson of the
39 Board of Land and Natural Resources; Chairperson of the Public
40 Utilities Commission; Chief Energy Officer of the Hawaii State
41 Energy Office; President and Chief Executive Officer of Hawaiian



- 1 Electric; and President and Chief Executive Officer of the Kaua'i
- 2 Island Utility Cooperative.

