

MAR 16 2026

SENATE 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

6
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

10
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

16
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

21
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
30 developers pay their fair share of grid upgrade costs and that



1 electricity consumers are protected from higher utility bills
2 associated with data center expansion; and

3
4 WHEREAS, the rapid expansion of artificial intelligence
5 infrastructure has also raised concerns regarding grid
6 reliability and the potential for electricity shortages or
7 increased risk of outages if new large electricity loads are not
8 carefully planned and integrated into the electric system; and

9
10 WHEREAS, in addition to electricity consumption, data
11 centers can require substantial water resources for cooling,
12 with medium-sized facilities using tens of millions of gallons
13 of water annually and the largest facilities potentially using
14 hundreds of millions to billions of gallons each year; and

15
16 WHEREAS, the siting and operation of data centers may also
17 increase greenhouse gas emissions if new fossil fuel generation
18 is built or existing fossil fuel plants operate more frequently
19 to meet the facilities' electricity demand; and

20
21 WHEREAS, article XI, section 7, of the Hawaii State
22 Constitution establishes the State's affirmative duty to
23 protect, control, and regulate the use of Hawaii's water
24 resources for the benefit of its people; and

25
26 WHEREAS, Hawaii's isolated island electric grids are
27 uniquely sensitive to large new electricity loads and require
28 careful planning to ensure that new infrastructure investments
29 do not undermine the State's clean energy goals or place
30 additional financial burdens on residents; and

31
32 WHEREAS, although Hawaii has not yet received proposals for
33 large hyperscale data centers, the rapid national growth of
34 artificial intelligence infrastructure suggests that such
35 proposals may arise in the future; and

36
37 WHEREAS, it is prudent for the State to proactively
38 evaluate regulatory frameworks and safeguards to ensure that any
39 future data center development in Hawaii protects ratepayers,
40 safeguards environmental resources, and aligns with the State's
41 renewable energy and climate goals; now, therefore,



1 BE IT RESOLVED by the Senate of the Thirty-third
2 Legislature of the State of Hawaii, Regular Session of 2026,
3 that the Hawaii State Energy Office is requested to convene a
4 working group to study the potential impacts of large data
5 centers on Hawaii's electric utilities, ratepayers, natural
6 resources, and climate goals; and
7

8 BE IT FURTHER RESOLVED that the working group is requested
9 to consist of the following members:
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- 11 (1) The Chief Energy Officer of the Hawaii State Energy
12 Office, or the Chief Energy Officer's designee, who
13 shall serve as chair of the working group;
14
- 15 (2) The Director of Business, Economic Development, and
16 Tourism, or the Director's designee;
17
- 18 (3) The Chairperson of the Board of Land and Natural
19 Resources, or the Chairperson's designee;
20
- 21 (4) The Chairperson of the Public Utilities Commission, or
22 the Chairperson's designee;
23
- 24 (5) Representatives from electric utilities in the State,
25 as invited by the chair;
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- 27 (6) Representatives from consumer advocacy and
28 environmental organizations, as invited by the chair;
29 and
30
- 31 (7) Other stakeholders, as invited by the chair; and
32

33 BE IT FURTHER RESOLVED that the working group is requested
34 to examine potential regulatory safeguards and policy options,
35 including but not limited to:
36

- 37 (1) Mechanisms to ensure that data center developers bear
38 the full cost of any new electricity generation,
39 transmission, distribution, or grid infrastructure
40 required to serve their facilities;
41



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- 1 (2) Measures to protect residential and small-business
- 2 ratepayers from increased electricity costs associated
- 3 with large new electricity loads;
- 4
- 5 (3) Requirements for transparency and reporting regarding
- 6 electricity consumption, water usage, and greenhouse
- 7 gas emissions associated with data center operations;
- 8
- 9 (4) Strategies to ensure that data centers operating in
- 10 Hawaii are powered by renewable energy and do not
- 11 undermine the State's statutory clean energy goals;
- 12
- 13 (5) Consideration of water use and other environmental
- 14 impacts associated with data center cooling systems;
- 15
- 16 (6) Grid reliability considerations related to large
- 17 electricity loads on Hawaii's island grids; and
- 18
- 19 (7) Any other regulatory safeguards that may be necessary
- 20 to ensure that data center development, if it occurs
- 21 in Hawaii, provides net benefits to the State and its
- 22 residents; and
- 23

24 BE IT FURTHER RESOLVED that the working group is requested

25 to submit a report of its findings and recommendations,

26 including any proposed legislation or regulatory actions, to the

27 Legislature no later than twenty days prior to the convening of

28 the Regular Session of 2027; and

29

30 BE IT FURTHER RESOLVED that the working group shall cease

31 to exist on June 30, 2027; and

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33 BE IT FURTHER RESOLVED that certified copies of this

34 Resolution be transmitted to the Director of Business, Economic

35 Development, and Tourism; Chairperson of the Board of Land and

36 Natural Resources; Chairperson of the Public Utilities

37 Commission; Chief Energy Officer of the Hawaii State Energy

38 Office; President and Chief Executive Officer of Hawaiian

39 Electric; and President and Chief Executive Officer of the Kaua'i

40 Island Utility Cooperative.

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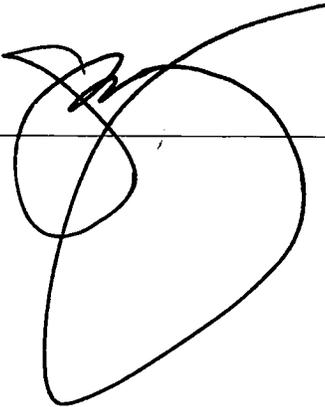
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OFFERED BY:

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