

**ACT 142****S.B. NO. 2909-82**

**A Bill for an Act Relating to the Development of an Inter-Island Electrical Power Cable.**

*Be It Enacted by the Legislature of the State of Hawaii:*

**SECTION 1.** The legislature finds that during the past several years, particularly since the OPEC oil embargo of 1974, the world price for crude oil has been rapidly escalating at an artificial pace. Furthermore, the State of Hawaii is heavily dependent upon the importation of foreign fossil fuels for its electrical energy production needs. This dependence results in a steady cash outflow from the State to pay for these fuel needs. In 1978, over 44 million barrels of crude petroleum were imported into the State, resulting in a cash outflow of over \$600,000,000.

The State of Hawaii is an island state with an ocean separating the different counties. Due to this geographic characteristic, each island produces its own electricity largely by the use of imported fuels. This results in high electricity rates for several of the islands caused in part by the inability to produce greater and less expensive amounts of energy through economies of scale.

Accordingly, the purpose of this Act is to further the development of an inter-island electrical power cable system. Geothermal energy conversion is the only large-scale, indigenous, baseload electricity source that is now available in Hawaii. The only proven geothermal resource reservoir in the State is on the Island of Hawaii, and this resource is unlikely to be fully developed unless the electricity it produces can be transmitted to the Island of Oahu, where eighty-two per cent of the State's electricity is consumed.

The legislature, therefore, finds that the development of geothermal energy on the Island of Hawaii for electrical power and the transmission of such energy inter-island, by an undersea cable system, will help to alleviate Hawaii's dependence on imported fuels and reduce the rising cost of consumer electrical energy. A submarine cable is therefore critical to Hawaii's welfare and its energy future.

**SECTION 2.** The purpose of this Act is to provide for partial funding of Phase II-A of the Hawaii Deep Water Cable Program. State funding will provide for sea route surveys, computer simulation modeling of cable mechanical and structural characteristics, electrical grid system integration investigation, manufacture and laboratory test cable repair splicing, and program management support.

**SECTION 3.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$550,000, or so much thereof as may be necessary for fiscal year 1982-83 to accomplish the purposes of this Act and to supplement prior appropriations.

**SECTION 4.** The sum appropriated herein shall be expended by the state

department of planning and economic development for the purposes of this Act.

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

(Approved May 28, 1982.)