**ACT 30** 

S.B. NO. 2357

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 there are numerous renewable energy resources in the State that have the potential to contribute to the local production of energy that may be utilized by a gas utility to produce natural gas, biogas, biofuels, or biofeedstocks. The legislature also finds that the State's gas utility is considering a pilot program to determine whether it is technically and economically feasible to process these types of renewable resources, such as plant oil, animal fat, and landfill gas, into a feedstock for gas manufacturing with by-products consisting of a biogas to offset the use and consumption of petroleum-based fuel and biofuels or biofeedstocks for use by third parties.

As it is in the best interest of the State to consider all local renewable resources which may contribute toward the reduction of the State's dependency on imported petroleum, the purpose of this Act is to establish an annual reporting requirement for a gas utility to measure and evaluate its progress in integrating renewable resources as a part of its production of synthetic natural gas.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**"§269- Gas utility companies; renewable energy; reporting requirements.**(a) Each gas utility company shall submit an annual report to the public utilities commission on or before March 31 of each year that shall include but not be limited to the following information:

The percentage of total feedstock used to produce natural gas, biogas, biofuels, or biofeedstocks for use in the State that is comprised

of petroleum feedstock;

(2) The percentage of total feedstock used to produce natural gas, biogas, biofuels, or biofeedstocks for use by the gas utility in the State that is comprised of non-petroleum feedstock;

(3) The energy quantity in therms of natural gas, biogas, or gallons of biofuels, or biofeedstocks produced from petroleum feedstock for

use by the gas utility within the State; and

(4) The energy quantity in therms of natural gas, biogas, or gallons of biofuels, or biofeedstocks produced from non-petroleum feedstock

energy for use by the gas utility in the State.

Within thirty days of receipt of the report, the public utilities commission shall submit the information required by paragraphs (1) and (2) to the legislature. Due to the proprietary nature of the information required by paragraphs (3) and (4), that information shall be held in confidence by the commission; provided that any information obtained by the commission under this section, including confidential information, shall be made available to the department of business, economic development, and tourism or its authorized representative, which shall safeguard the confidentiality of that information. The department, with its own staff and other support staff with relevant expertise and experience, shall use the information obtained under this section to effectuate the purposes and intent of chapters 125C, 196, and other relevant laws. The first report required by this section shall be for the year 2011 and shall be submitted no later than March 31, 2012.

(b) For the purposes of this section:

"Department" means the department of business, economic development, and tourism.

"Feedstock" means a material that is converted, consumed, or blended to

produce an end use product.

"Total feedstock" means petroleum and non-petroleum feedstock

combined.

"Non-petroleum feedstock" includes but is not limited to plant and animal fats and oils, algae and algae products, other organic material, organic waste, municipal solid waste, waste water, or sewage."

SECTION 3. New statutory material is underscored.<sup>1</sup>

SECTION 4. This Act shall take effect upon its approval. (Approved April 16, 2010.)

Note

1. Edited pursuant to HRS §23G-16.5.