

**ACT 23**

**S.B. NO. 2629**

A Bill for an Act Relating to the Environment.

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

SECTION 1. The legislature finds that the State has committed to a decisive and irreversible transition away from fossil fuels, and a swift transition

to a clean energy economy powered by one hundred per cent renewable energy. This renewable energy transformation will help to stabilize and strengthen Hawaii's economy by reducing its dependency on imported fossil fuels, fostering innovation and clean energy job growth, helping protect Hawaii's environment by greatly reducing carbon emissions, and positioning Hawaii as a global leader on climate solutions.

Coal is currently the largest source of carbon dioxide emissions in the world. The United Nations Intergovernmental Panel on Climate Change 2018 "Special Report on 1.5 Degrees Celsius" found that limiting the Earth's warming to 1.5 degrees Celsius, believed to be a threshold to avoid devastating climate change by many scientists, would mean a complete phase-out of the use of coal for electricity generation globally.

Furthermore, coal-fired power plants are responsible for seventy per cent of the nation's mercury emissions. After being released into the air, mercury accumulates in soil and water, where it contaminates food consumed, especially fish. Mercury is especially threatening to pregnant women and young children. As many as one in six American women have enough mercury in their bodies to put a baby at risk. Mercury is one of the leading causes of preventable birth defects, including brain damage and cerebral palsy. Federal regulations to reduce mercury from coal power plants have been significantly weakened by the current administration.

While coal is currently used to generate electricity on the island of Oahu, the power purchase agreement between the coal plant and the electric utility is set to expire in 2022. The electric utility has publicly stated that it does not intend to extend the contract with the coal plant beyond 2022. The electric utility has stated that the large power plant, with a relatively inflexible power output, is ill-suited for a small island electricity grid that increasingly relies on renewable energy. Despite the stated intentions, nothing currently in state law prohibits the continued use of coal for electricity generation into the future.

The legislature further finds that Hawaii has emerged as a leader on clean energy policy, adopting a number of bold, first-in-the-nation targets that have helped inspire other states to take similar action. Hawaii was the first state in the country to adopt a one hundred per cent renewable energy requirement for electricity by 2045 through the passage of Act 97, Session Laws of Hawaii 2015. California adopted a similar law in 2018. Hawaii has also pledged to achieve carbon neutrality by 2045 through the passage of Act 15, Session Laws of Hawaii 2018, another first in the nation. Despite the clear threat that coal-powered electricity presents to health and the climate, no state has proscribed its use. The legislature further finds that coal power, as one of the dirtiest fossil fuels, has no role in Hawaii's clean energy future.

The purpose of this Act is to eliminate the use of coal in Hawaii for electricity production.

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

**"§269- Coal power purchase agreements; prohibited.** Beginning after June 30, 2020, the public utilities commission shall not approve:

- (1) Any new or renewed power purchase agreement that proposes to burn or consume coal to generate electricity; or
- (2) A modification of a coal power purchase agreement that proposes to extend the term or increase the amount of generation that is allowed to be produced under the existing agreement."

SECTION 3. Chapter 342B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§342B- Use of coal for electricity generation.** The department may issue or renew a permit to an owner or operator of a covered source that will burn or consume coal to generate electricity; provided that as a condition of the permit, all coal burning shall cease on December 31, 2022. Beginning after December 31, 2022, the department shall not issue or renew any permit to an owner or operator of a covered source which will burn or consume coal to generate electricity.”

SECTION 4. New statutory material is underscored.<sup>1</sup>

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

(Approved September 15, 2020.)

**Note**

1. Edited pursuant to HRS §23G-16.5.