# A BILL FOR AN ACT

RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that, as Hawaii
- 2 progresses toward its renewable energy and decarbonization
- 3 goals, improving energy efficiency remains the most
- 4 cost-effective way to reduce emissions associated with
- 5 electricity generation and consumption, while providing
- 6 financial benefits for customers. The legislature also finds
- 7 that in 2008, the State, in partnership with the United States
- 8 Department of Energy, established the Hawaii clean energy
- 9 initiative, which included goals for energy efficiency.
- 10 Subsequently, Act 155, Session Laws of Hawaii 2009, codified
- 11 these energy efficiency goals by establishing an
- 12 energy-efficiency portfolio standard under section 269-96,
- 13 Hawaii Revised Statutes, which sets the statewide energy
- 14 efficiency goal for 2030 at four thousand three hundred gigawatt
- 15 hours and directs the public utilities commission to establish
- 16 interim goals for 2015, 2020, and 2025.



Now, fifteen years later, the legislature further finds 1 2 that it is appropriate to extend these energy efficiency goals 3 and ensure that the public utilities commission may continue its work developing and overseeing the State's energy-efficiency 4 5 portfolio standards beyond 2030. 6 Accordingly, the purpose of this Act is to extend and 7 further develop the energy-efficiency portfolio standards established and overseen by the public utilities commission. 8 9 SECTION 2. Section 196-62.5, Hawaii Revised Statutes, is 10 amended by amending subsection (b) to read as follows: 11 As may be applicable, an agency shall consult with 12 the public benefits fee administrator of the commission prior to 13 planning an energy-efficiency measure subject to this section. 14 The agency's proposed energy-efficiency measures shall meet or 15 exceed the public benefits fee administrator's enhanced 16 efficiency levels and requirements to be eligible for the Hawaii 17 green infrastructure loan program. The agency shall coordinate 18 with the public benefits fee administrator throughout the entire 19 project cycle to ensure that energy efficiency is maximized. 20 All supporting documentation required by the public benefits fee

administrator shall be provided by the agency to ensure

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- 1 compliance with the State's energy-efficiency portfolio
- 2 [standard] standards under section 269-96."
- 3 SECTION 3. Section 269-96, Hawaii Revised Statutes, is
- 4 amended by amending subsections (b) through (e) to read as
- 5 follows:
- 6 "(b) The energy-efficiency portfolio standards shall be
- 7 designed to achieve [four thousand three hundred] six thousand
- 8 gigawatt hours of [electricity use reductions] cumulative
- 9 persisting electricity savings statewide by [2030;] 2045;
- 10 provided that the commission shall establish interim goals for
- 11 electricity use reduction to be achieved by 2015, 2020, [and]
- 12 2025, 2030, 2035, and 2040, and may also adjust the
- 13 [2030 standard] 2045 and interim standards by rule or order to
- 14 maximize cost-effective energy-efficiency programs and
- 15 technologies.
- 16 For the purposes of this subsection, "cumulative persisting
- 17 electricity savings" means the total electric energy savings in
- 18 a given year from measures installed in that year or in previous
- 19 years, but no earlier than January 1, 2009, that are still
- 20 operational and providing savings in that year because the
- 21 measures have not yet reached the end of their useful lives.



1 The commission may establish, by rule or order, 2 incentives and penalties based on performance in achieving the 3 energy-efficiency portfolio standards [by rule or order]. 4 The public utilities commission shall evaluate the 5 energy-efficiency portfolio [standard] standards every five 6 years, beginning in 2013, [and may revise the standard, based on 7 the best-information available at the time, ] to determine if the 8 energy-efficiency portfolio [standard] standards established by 9 this section [remains] remain effective and achievable  $[\cdot]$  and 10 may revise the standards, based on the best information 11 available at the time. The commission shall report its findings 12 and revisions to the energy-efficiency portfolio [standard,] 13 standards based on its own studies and other information, to the 14 legislature no later than twenty days before the convening of 15 the regular session of 2014, and every five years thereafter. 16 Beginning in 2015, electric energy savings brought (e) 17 about by the use of renewable displacement or off-set 18 technologies, including solar water heating and sea-water 19 air-conditioning district cooling systems, shall count toward 20 [this standard.] these standards."

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect on July 1, 2024.

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INTRODUCED BY:

### Report Title:

Energy Efficiency Portfolio Standard; Extension; PUC

#### Description:

Extends the State's energy efficiency portfolio standards from 2030 to 2045. Authorizes the Public Utilities Commission to establish interim goals, and clarifies procedures.

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