April 16, 2010

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fifth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on April 16, 2010, the following bill was signed into law:

SB2357 SD2 HD1       A BILL FOR AN ACT
                     RELATING TO RENEWABLE ENERGY.
                     ACT 030 (10)

Sincerely,

LINDA LINGLE
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:

(1) 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.

SECTION 4. This Act shall take effect upon its approval.
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APPROVED this 16 day of APR, 2010

GOVERNOR OF THE STATE OF HAWAII