
A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

1 SECTION 1. The legislature finds that the State has
2 committed to transition away from fossil fuels and towards a
3 clean energy economy powered by one hundred per cent renewable
4 energy. The State has also committed to reducing carbon
5 emissions. This renewable energy transformation will help to
6 stabilize and strengthen Hawaii's economy by reducing its
7 dependency on imported and price-volatile fossil fuels, foster
8 innovation and clean energy job growth, help protect Hawaii's
9 environment by greatly reducing carbon emissions by replacing
10 fossil fuel energy with renewable energy, and positioning Hawaii
11 as a global leader in renewable energy and climate solutions.

12 The legislature took a bold and decisive step toward
13 achieving its renewable energy goals by passing Act 23, Session
14 Laws of Hawaii 2020, which eliminated the use of coal in Hawaii
15 for electricity production. Hawaii must further commit to the
16 path of eliminating the use of all types of fossil fuels for
17 electricity generation, not just coal-powered electricity



1 generation. The legislature further finds that Hawaii must also
2 eliminate the use of fossil fuel-powered electricity generated
3 for battery energy storage resources interconnected to a public
4 utilities' grid. Not only does fossil fuel-powered electricity
5 used to fill battery energy storage resources further encourage
6 fossil fuel use, but it also results in inherent inefficiencies
7 and higher costs to ratepayers because of wasteful energy losses
8 when fossil fuel-powered electricity flows through a battery
9 energy storage resource prior to distribution to ratepayers on
10 the grid.

11 The purpose of this Act is to eliminate fossil fuels in
12 Hawaii for electricity generation and storage.

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

16 "§269- Elimination of fossil fuels for electricity
17 production. (a) Beginning after December 31, 2035, the public
18 utilities commission shall not approve or extend:

19 (1) Any electricity generation facility that applies or
20 proposes to use fossil fuels to generate electricity



1 or to store electricity into a public utility grid-
2 ted battery energy storage system resource; or
3 (2) Any material improvements, overhauling, or
4 refurbishing of any existing electricity generation
5 facilities that extend the life of fossil fuel-powered
6 electricity generation facilities or storage
7 facilities that use fossil fuel-powered electricity,
8 except for routine maintenance or minor repairs up to
9 \$2,500,000 per existing facility in order to maintain
10 reliability.

11 (b) By December 31, 2045, electricity generation
12 facilities shall cease the use of all fossil fuels for the
13 generation or storage of electricity.

14 (c) The public utilities commission shall not approve any
15 application or proposal for public utility cost recovery for any
16 generation or storage facilities that use fossil fuels, except
17 as provided under section 269-6(d)(3)."

18 SECTION 3. Section 269-6, Hawaii Revised Statutes, is
19 amended by amending subsection (b) to read as follows:

20 "(b) The public utilities commission shall consider the
21 need to reduce the State's reliance on fossil fuels through



1 energy efficiency and increased renewable energy generation in
2 exercising its authority and duties under this chapter. In
3 making determinations of the reasonableness of the costs of
4 fossil fuel electricity generation and fossil fuel-powered
5 battery energy storage utility system capital improvements and
6 operations, the commission shall explicitly consider,
7 quantitatively or qualitatively, the effect of the State's
8 reliance on fossil fuels on [~~price~~]:

- 9 (1) Price volatility[~~, export~~];
10 (2) Export of funds for fuel imports[~~, fuel~~];
11 (3) Fuel supply reliability risk[~~, and greenhouse~~]; and
12 (4) Greenhouse gas emissions.

13 The commission may determine that short-term costs or direct
14 costs of renewable energy generation and renewable energy-
15 powered battery energy storage that are higher than alternatives
16 relying more heavily on fossil fuels are reasonable, considering
17 the impacts resulting from the use of fossil fuels."

18 SECTION 4. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

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



Report Title:

Renewable Energy Generation; Fossil Fuel; Prohibition

Description:

Prohibits, after December 31, 2035, any new extension, improvements, overhauling, or refurbishing of any fossil fuel electricity generation or fossil-fuel powered electricity use for grid-tied battery energy storage, except for routine maintenance or minor repairs up to \$2,500,000 per existing facility in order to maintain reliability. Prohibits after December 31, 2045, the use of fossil fuels for electricity generation or grid-tied battery energy storage. (SD1)

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