

**Appendix E: Renewable Portfolio
Standards (HRS §269-92) and
Energy-Efficiency Portfolio
Standards (HRS §269-96)**

§269-92 Renewable portfolio standards.

- (a) Each electric utility company that sells electricity for consumption in the State shall establish a renewable portfolio standard of:
 - (1) Ten per cent of its net electricity sales by December 31, 2010;
 - (2) Fifteen per cent of its net electricity sales by December 31, 2015;
 - (3) Thirty per cent of its net electricity sales by December 31, 2020;
 - (4) Forty per cent of its net electricity sales by December 31, 2030;
 - (5) Seventy per cent of its net electricity sales by December 31, 2040; and
 - (6) One hundred per cent of its net electricity sales by December 31, 2045.
- (b) The public utilities commission may establish standards for each utility that prescribe what portion of the renewable portfolio standards shall be met by specific types of renewable energy resources; provided that:
 - (1) Prior to January 1, 2015, at least fifty per cent of the renewable portfolio standards shall be met by electrical energy generated using renewable energy as the source, and after December 31, 2014, the entire renewable portfolio standard shall be met by electrical generation from renewable energy sources;
 - (2) Beginning January 1, 2015, electrical energy savings shall not count toward renewable energy portfolio standards;
 - (3) Where electrical energy is generated or displaced by a combination of renewable and nonrenewable means, the proportion attributable to the renewable means shall be credited as renewable energy; and
 - (4) Where fossil and renewable fuels are co-fired in the same generating unit, the unit shall be considered to generate renewable electrical energy (electricity) in direct proportion to the percentage of the total heat input value represented by the heat input value of the renewable fuels.
- (c) If the public utilities commission determines that an electric utility company failed to meet the renewable portfolio standard, after a hearing in accordance with chapter 91, the utility shall be subject to penalties to be established by the public utilities commission; provided that if the commission determines that the electric utility company is unable to meet the renewable portfolio standards due to reasons beyond the reasonable control of an electric utility, as set forth in subsection (d), the commission, in its discretion, may waive in whole or in part any otherwise applicable penalties.
- (d) Events or circumstances that are outside of an electric utility company's reasonable control may include, to the extent the event or circumstance could not be reasonably foreseen and ameliorated:
 - (1) Weather-related damage;
 - (2) Natural disasters;
 - (3) Mechanical or resource failure;

- (4) Failure of renewable electrical energy producers to meet contractual obligations to the electric utility company;
- (5) Labor strikes or lockouts;
- (6) Actions of governmental authorities that adversely affect the generation, transmission, or distribution of renewable electrical energy under contract to an electric utility company;
- (7) Inability to acquire sufficient renewable electrical energy due to lapsing of tax credits related to renewable energy development;
- (8) Inability to obtain permits or land use approvals for renewable electrical energy projects;
- (9) Inability to acquire sufficient cost-effective renewable electrical energy;
- (10) Inability to acquire sufficient renewable electrical energy to meet the renewable portfolio standard goals beyond 2030 in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources;
- (11) Substantial limitations, restrictions, or prohibitions on utility renewable electrical energy projects; and
- (12) Other events and circumstances of a similar nature. [L 2001, c 272, §3; am L 2004, c 95, §5; am L 2006, c 162, §5; am L 2009, c 155, §3; am L 2015, c 97, §2]

§269-96 Energy-efficiency portfolio standards.

- (a) The public utilities commission shall establish energy efficiency portfolio standards that will maximize cost effective energy-efficiency programs and technologies.
- (b) The energy-efficiency portfolio standards shall be designed to achieve four thousand three hundred gigawatt hours of electricity use reductions statewide by 2030; provided that the commission shall establish interim goals for electricity use reduction to be achieved by 2015, 2020, and 2025 and may also adjust the 2030 standard by rule or order to maximize cost-effective energy-efficiency programs and technologies.
- (c) The commission may establish incentives and penalties based on performance in achieving the energy-efficiency portfolio standards by rule or order.
- (d) The public utilities commission shall evaluate the energy-efficiency portfolio standard every five years, beginning in 2013, and may revise the standard, based on the best information available at the time, to determine if the energy-efficiency portfolio standard established by this section remains effective and achievable. The commission shall report its findings and revisions to the energy-efficiency portfolio standard, based on its own studies and other information, to the legislature no later than twenty days before the convening of the regular session of 2014, and every five years thereafter.
- (e) Beginning in 2015, electric energy savings brought about by the use of renewable displacement or off-set technologies, including solar water heating and sea-water air-conditioning district cooling systems, shall count toward this standard. [L 2009, c 155, pt of §11]