

**A Guide for Members of the
State of Hawaii Greenhouse Gas Emissions Reduction Task Force
Established by Act 234, Session Laws of Hawaii 2007**

NOTE: This guide is intended to provide a summary of Act 234 provisions directly related to the work of the Task Force. Some provisions have been paraphrased and, abbreviations for greenhouse gas (GHG) and Greenhouse Gas Emission Reduction Task Force (GHGERTF) have been used except where a provision is directly quoted.

Objectives and Deadlines

Before **December 1, 2009**, the GHGERTF shall prepare a work plan and regulatory scheme for implementing the maximum practically and technically feasible and cost-effective reductions in GHG emissions from sources or categories of sources of GHGs to achieve the statewide GHG emissions limit as adopted in Section 2 of this Act.
(SECTION 5. (a))

SECTION 2 declares that “By January 1, 2020, the State of Hawaii shall reduce statewide greenhouse gas emissions to levels at or below the best estimations and updates of the inventory of GHG emissions estimates for 1990.

Not less than twenty days prior to the convening of the regular session of 2010 and every fifth regular session following the regular session of 2010, the GHGERTF shall submit to the legislature a copy of its work plan and proposed regulatory scheme, along with any proposed legislation, and any five year update to the work plan and proposed regulatory scheme, for achieving the maximum practically and technically feasible and cost-effective reductions in GHG emissions from sources or categories of sources of GHGs. (SECTION 7.)

Administrative Matters

Statutory Basis. Act 234 establishes the statutory basis of its provisions by amending Chapter 342B, Hawaii Revised Statutes by adding a new part to be appropriately designated and entitled "PART. GREENHOUSE GAS EMISSIONS". These provisions are in SECTION 8 of the Act.

Financial Resources. To carry out all provisions of Act 234, \$500,000 in general funds is provided fiscal year 2007-2008 and \$500,000 for fiscal year 2008-2009 is appropriated to DBEDT. The language includes provisions for the hiring of necessary staff.
(SECTION 2)

The Act states that each member of the Task Force is encouraged to commit as much time, expertise, and information as is available to the individual member.
(SECTION 5. (b))

Confidential information provided to the Task Force that is exempt from public disclosure under section 92F-13(4), Hawaii Revised Statutes, shall be held in confidence by the Task Force or aggregated to the extent necessary to ensure confidentiality as required by chapter 92F, Hawaii Revised Statutes. (SECTION 5. (c))

Work Plan

The work plan, set forth in SECTION 6, shall include but is not limited to the following objectives:

(1) Consultation with all state agencies having jurisdiction over sources of GHGs, including the public utilities commission, on all elements of its plan that pertain to energy-related matters, including but not limited to:

- (A) Electrical generation;
- (B) The provision of reliable and affordable electrical service;
- (C) Petroleum refining; and
- (D) Statewide fuel supplies,

to ensure the GHG emissions reduction activities to be adopted and implemented are complementary, minimize duplication, and can be implemented in an efficient and cost-effective manner.

(2) Identification and recommendations on:

- (A) Direct emission reduction measures;
- (B) Alternative compliance mechanisms;
- (C) Market-based compliance mechanisms; and
- (D) Potential monetary and non-monetary incentives,

for sources and categories of sources that are necessary or desirable to facilitate the achievement of the maximum feasible and cost-effective reductions of GHG emissions by 2020;

(3) Consideration of relevant information pertaining to GHG emissions reduction programs to ascertain progressive efforts from other locations to postulate control mechanisms most applicable to Hawaii. The Task Force may consult with other states, the federal government, nongovernmental organizations, and, if applicable, other nations to identify effective strategies and methods to reduce GHGs, manage GHG control

programs, and to facilitate the development of integrated and cost-effective regional, national, and international GHG emission reduction programs;

(4) Investigation and development of analytical tools, economic models, or other scientific methods to evaluate the total potential costs and total potential economic and non-economic benefits of the plan for reducing GHGs to the State's economy, environment, and public health;

(5) Consideration of the relative contribution of each source or source category to statewide GHG emissions and the potential for adverse effects on small businesses, and recommendation of a minimum threshold of GHG emissions below which emission reductions requirements shall not apply;

(6) Identification of opportunities for emission reductions measures from all verifiable and enforceable voluntary actions, including but not limited to carbon sequestration projects and best management practices;

(7) Examination and use of market-based compliance mechanisms to achieve emission reductions and:

(A) Consideration of the potential for direct, indirect, and cumulative emission impacts from these mechanisms, including localized impacts in communities that are already adversely impacted by air pollution;

(B) Design of any market-based compliance mechanism to prevent any increase in the emissions of toxic air contaminants or criteria air pollutants identified by the Environmental Protection Agency; and

(C) Recommendations to maximize additional environmental and economic benefits for Hawaii, as appropriate;

(8) Suggested rules governing how market-based compliance mechanisms may be used by regulated entities subject to GHG emission limits and mandatory emission reporting requirements to achieve compliance with their GHG emissions limits;

(9) Suggested regulation to control mobile sources of GHG emissions to achieve reductions in statewide GHG emissions;

(10) Recommendations to minimize "leakage" or a reduction in emissions of GHGs within the State that is offset by an increase in emissions of GHGs outside the State;

(11) Review and recommendations of a schedule of fees to be paid by the sources of GHG emissions regulated pursuant to this Act;

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(12) Implementation of a series of public workshops to give interested parties an opportunity to comment on the work plan. The task force shall conduct at least one of these workshops in each county; and

(13) Review and revision of the work plan to achieve the maximum technologically feasible and cost-effective reductions of GHG emissions at least once every five years.

Attachment: Act 234, SLH 2007

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