
A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The legislature finds that all Hawaii residents
2 should be able to participate in and enjoy the economic,
3 environmental, and societal benefits of renewable energy.
4 Spurred by the Hawaii clean energy initiative and increasingly
5 affordable clean energy options, such as solar photovoltaic,
6 localized renewable energy generation technology has become
7 increasingly attainable.

8 While residential solar energy use statewide has grown
9 dramatically in recent years, many residents and businesses are
10 currently unable to directly participate in renewable energy
11 generation because of their location, building type, access to
12 the electric utility grid, and other impediments. The
13 community-based renewable energy program seeks to rectify this
14 inequity by dramatically expanding the market for eligible
15 renewable energy resources to include residential and business
16 renters, occupants of residential and commercial buildings with



1 shaded or improperly oriented roofs, and other groups who are
2 unable to access the benefits of onsite clean energy generation.

3 The legislature finds that it is in the public interest to
4 promote broader participation in self-generation by Hawaii
5 residents and businesses through the development of community-
6 based renewable energy facilities in which participants are
7 entitled to generate electricity and receive credit for that
8 electricity on their utility bills.

9 Community-based renewable energy creates new construction
10 jobs, stimulates the economy, reduces emissions of greenhouse
11 gases, promotes energy independence, and assists in meeting the
12 State's clean energy goals. Further, community-based renewable
13 energy enables residents and businesses to save money on their
14 electricity bills, thereby providing additional funds for other
15 purchasing, investment, or other economic activity.

16 The purpose of this Act is to establish the Hawaii
17 community-based renewable energy program to make the benefits of
18 renewable energy generation more accessible to a greater number
19 of Hawaii residents. The legislature also finds that, in order
20 to facilitate the timely implementation of community-based
21 renewable energy, the electric utilities should collaborate with



1 the department of business, economic development and tourism,
2 and other stakeholders from the renewable energy industry and
3 environment advocacy community, on the development of a
4 community-based renewable energy tariff prior to filing the
5 tariff with the public utilities commission.

6 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 "§269- Community-based renewable energy tariffs. (a)
10 Each electric utility in the State shall file a proposed
11 community-based renewable energy tariff with the public
12 utilities commission by October 1, 2015. The public utilities
13 commission shall establish a community-based renewable energy
14 tariff if the tariff is found to be in the public interest and
15 is not unduly discriminatory.

16 (b) Any person or entity may participate in an eligible
17 community-based renewable energy project.

18 (c) As used in this section:

19 "Community-based renewable energy tariff" means a tariff
20 approved by the commission that:



- 1 (1) Allows an electric utility customer to participate in
2 an eligible renewable energy project that is providing
3 electricity to the electric utility;
- 4 (2) Allows the electric utility to implement a billing
5 arrangement to compensate those customers for the
6 electricity provided to the electric utility;
- 7 (3) Is designed to provide fair compensation for electric
8 grid services and other benefits provided to or by the
9 utility, participating ratepayers, and non-
10 participating ratepayers; and
- 11 (4) To the extent possible, standardizes the related
12 interconnection processes for community-based
13 renewable energy projects.

14 "Eligible community-based renewable energy project" means a
15 project that:

- 16 (1) Is subject to a community-based renewable energy
17 tariff; and
- 18 (2) Generates or produces energy using one or more of the
19 following sources:
 - 20 (A) Wind;
 - 21 (B) Sun;



- 1 (C) Geothermal;
- 2 (D) Falling water;
- 3 (E) Biogas, including landfill and sewage-based
- 4 digester gas;
- 5 (F) Ocean water, currents, and waves, including ocean
- 6 thermal energy conversion;
- 7 (G) Biomass, including biomass crops, agricultural
- 8 and animal residues and wastes, and municipal
- 9 solid waste and other solid waste;
- 10 (H) Biofuels; and
- 11 (I) Hydrogen produced from renewable energy sources."

12 SECTION 3. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on July 1, 2015.



Report Title:

Community-based Renewable Energy Program; Community-based Renewable Energy Tariff; Public Utilities Commission

Description:

Requires electric utilities to file proposed community-based renewable energy tariffs with the public utilities commission by October 1, 2015. Authorizes ratepayer participation in eligible community-based renewable energy projects. (SB1050 HD2)

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