
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 systems, localized renewable energy generation technology has
7 become increasingly attainable.

8 While residential solar energy use has grown dramatically
9 across the State in recent years, many residents and businesses
10 are 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
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 finds that a community-
20 based renewable energy tariff should, to the extent possible, be
21 designed in an open and accessible process and should



1 accommodate a variety of community-based renewable energy
2 projects, models, and sizes. The legislature also finds that,
3 in order to facilitate the timely implementation of community-
4 based renewable energy, the electric utilities should
5 collaborate with the department of business, economic
6 development, and tourism, and other stakeholders from the
7 renewable energy industry and environment advocacy community on
8 the development of a community-based renewable energy tariff
9 prior to filing the tariff with the public utilities commission.

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

13 "§269- Community-based renewable energy tariffs. (a)
14 Each electric utility in the State shall file a proposed
15 community-based renewable energy tariff or tariffs with the
16 public utilities commission by October 1, 2015. The public
17 utilities commission shall establish a community-based renewable
18 energy tariff or tariffs if the tariff or tariffs are found to
19 be in the public interest.

20 (b) Any person or entity may own or operate an eligible
21 community-based renewable energy project or projects provided



1 that the person or entity complies with all applicable statutes,
2 rules, tariffs, and regulations governing the ownership and
3 interconnection of such project or projects.

4 (c) As used in this section:

5 "Community-based renewable energy tariff" means a tariff
6 approved by the commission that:

7 (1) Allows an electric utility customer to participate in
8 an eligible renewable energy project that is providing
9 electricity and electric grid services to the electric
10 utility;

11 (2) Allows the electric utility to implement a billing
12 arrangement to compensate those customers for the
13 electricity and electric grid services provided to the
14 electric utility;

15 (3) Is designed to provide fair compensation for
16 electricity, electric grid services, and other
17 benefits provided to or by the electric utility,
18 participating ratepayers, and non-participating
19 ratepayers; and



1 (4) To the extent possible, standardizes and streamlines
2 the related interconnection processes for community-
3 based renewable energy projects.

4 "Eligible community-based renewable energy project" means a
5 renewable energy project that:

6 (1) Is subject to a community-based renewable energy
7 tariff; and

8 (2) Generates or produces energy as defined under section
9 269-91."

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2030.



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 HD3)

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