



GOV. MSG. NO. 1200

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 8, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 8, 2015, the following bill was signed into law:

SB1050 SD2 HD3 CD1

RELATING TO ENERGY
ACT 100 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

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



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

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

14 The purpose of this Act is to establish the Hawaii
15 community-based renewable energy program to make the benefits of
16 renewable energy generation more accessible to a greater number
17 of Hawaii residents. The legislature finds that a community-
18 based renewable energy tariff should, to the extent possible, be
19 designed in an open and accessible process and should
20 accommodate a variety of community-based renewable energy
21 projects, models, and sizes. The legislature also finds that,



1 in order to facilitate the timely implementation of community-
2 based renewable energy, the electric utilities should
3 collaborate with the department of business, economic
4 development, and tourism, and other stakeholders from the
5 renewable energy industry and environment advocacy community on
6 the development of a community-based renewable energy tariff
7 prior to filing the tariff with the public utilities commission.

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

11 "§269- Community-based renewable energy tariffs. (a)

12 Each electric utility in the State shall file a proposed
13 community-based renewable energy tariff or tariffs with the
14 public utilities commission by October 1, 2015. The public
15 utilities commission shall establish a community-based renewable
16 energy tariff or tariffs, pursuant to section 269-16; provided
17 that the tariff or tariffs are found to be in the public
18 interest.

19 (b) Any person or entity may own or operate an eligible
20 community-based renewable energy project or projects provided
21 that the person or entity complies with all applicable statutes,



1 rules, tariffs, and regulations governing the ownership and
2 interconnection of such project or projects.

3 (c) As used in this section:

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

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

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

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

19 (4) To the extent possible, standardizes and streamlines
20 the related interconnection processes for community-
21 based renewable energy projects.

S.B. NO. 1050
S.D. 2
H.D. 3
C.D. 1

APPROVED this 8 day of JUN, 2015

A handwritten signature in black ink, appearing to read "David Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

GOVERNOR OF THE STATE OF HAWAII