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# A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

1           SECTION 1. The legislature finds that Act 97, Session Laws  
2 of Hawaii 2015, amended section 269-92, Hawaii Revised Statutes,  
3 to establish a one hundred per cent renewable portfolio standard  
4 by 2045, with the intent to transition the State away from  
5 imported fuels and toward renewable local resources that provide  
6 a secure source of affordable energy. However, the calculation  
7 of the renewable portfolio standard, based on the definition of  
8 renewable portfolio standard enacted in 2001 and amended in  
9 2006, is the percentage of electrical energy sales that is  
10 represented by renewable electrical energy. The legislature  
11 finds that the calculation of the renewable portfolio standard  
12 based on electrical energy sales (renewable electrical energy  
13 divided by total electricity sales), rather than on electrical  
14 energy generation (renewable electrical energy divided by total  
15 electrical energy generation), overestimates the amount of  
16 renewable energy serving Hawaii's electric utility customers.  
17 There are two fundamental issues that lead to the current



1 discrepancy: (1) the current renewable portfolio standard  
2 calculation inflates the reported percentage of renewable energy  
3 by excluding renewables from customer-sited, grid-connected  
4 renewable energy generation in the denominator, which becomes  
5 material with higher levels of customer-sited, grid-connected  
6 renewable energy generation and higher renewable portfolio  
7 standard percentages; and (2) the current electrical energy  
8 sales number does not include energy losses that occur between  
9 the points of electrical energy generation and the customer  
10 meter where sales are measured. Failure to address these issues  
11 would create the incorrect public perception of the State's  
12 progress towards its one hundred per cent renewable energy  
13 statutory goal.

14 The purpose of this Act is to amend the definition of  
15 renewable portfolio standard to more accurately reflect the  
16 percentage of renewable energy penetration in the State.

17 SECTION 2. Section 269-91, Hawaii Revised Statutes, is  
18 amended by amending the definition of "renewable portfolio  
19 standard" to read as follows:



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1           ""Renewable portfolio standard" means the percentage of  
2 electrical energy [~~sales~~] generation that is represented by  
3 renewable electrical energy."

4           SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: *Nicole E. Lowen*  
*Clu*

JAN 23 2017



# H.B. NO. 903

**Report Title:**

Renewable Portfolio Standard; Definition

**Description:**

Amends the "renewable portfolio standard" definition to more accurately reflect the amount of renewable energy generation in Hawaii by amending the renewable portfolio standard calculation to be based on electrical energy generation as opposed to electrical energy sales.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

