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# A BILL FOR AN ACT

RELATING TO ENERGY STORAGE.

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

1           SECTION 1. The legislature finds that the development of  
2 energy storage is seen as a crucial next step toward the  
3 development of a smart, updated electrical grid which can  
4 accommodate more renewable energy resources, help customers take  
5 charge of their electric bills, and contribute to overall grid  
6 resiliency and reliability as the State works toward its one  
7 hundred per cent Renewable Portfolio Standard (RPS) goal.  
8 However, energy storage adds considerable cost to renewable  
9 energy systems. These high costs have impeded the installation  
10 and implementation of energy storage systems in the State.  
11 Therefore, it is necessary to offer assistance to Hawaii's  
12 electric ratepayers to accelerate the adoption of energy storage  
13 technologies.

14           The purpose of this Act is to assist electric ratepayers in  
15 the State with energy storage systems connected to the utility  
16 grid, by establishing an energy storage market acceleration  
17 program administered by the public benefits fee administrator to  
18 provide rebates to ratepayers through an energy storage rebate



1 program. Further, this Act establishes funding for the programs  
2 through the public benefits fee and requires the public  
3 utilities commission to establish rebate amounts annually and to  
4 consider increasing the public benefits fee if necessary to fund  
5 the programs.

6 SECTION 2. Chapter 196, Hawaii Revised Statutes, is  
7 amended by adding a new section to be appropriately designated  
8 and to read as follows:

9 "§196- Energy storage market acceleration program;  
10 energy storage rebate program. (a) There is established the  
11 Hawaii energy storage market acceleration program that shall be  
12 a rebate program administered by the public benefits fee  
13 administrator pursuant to section 269-122.

14 (b) The energy market acceleration program shall be funded  
15 through the public benefits fee pursuant to section 269-121.

16 (c) The amount available for rebates under the program  
17 shall be determined annually by the commission.

18 (d) If necessary, an increase to the public benefits fee  
19 shall be considered by the commission to fund the program.

20 (e) Energy storage systems receiving rebates as part of  
21 this program shall remain connected to the utility grid.



1        (f) For purposes of this section and section 269-121,  
2        "energy storage" shall be considered a clean energy technology."

3        SECTION 3. New statutory material is underscored.

4        SECTION 4. This Act shall take effect on July 1, 2017.

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**Report Title:**

Energy Storage Rebate Program; Energy Storage Market  
Acceleration Program; Public Benefits Fee

**Description:**

Creates the energy storage market acceleration program and energy storage rebate program to be administered by the public benefits fee administrator. Establishes an energy storage system rebate for energy storage system providers and allows for rebates under the program to be paid out of the public benefits fee. Requires the public utilities commission to establish rebate amounts under the program annually. Authorizes the public utilities commission to increase the public benefits fee if necessary to fund the programs. (SD1)

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