
A BILL FOR AN ACT

RELATING TO INTRA-GOVERNMENTAL WHEELING.

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

1 SECTION 1. The legislature finds that production of
2 renewable energy may be encouraged if government agencies, as
3 sellers of renewable energy, are allowed to engage in intra-
4 governmental wheeling, in which electric power is transmitted
5 from one agency's point of generation to the facilities of other
6 governmental agencies over the existing transmission lines of a
7 third-party electric public utility. Specifically, the State
8 and other government entities such as the counties could acquire
9 renewable energy by purchasing it from a renewable energy
10 project developer and then transmit it, across utility lines
11 owned and maintained by an existing electric utility, to the
12 government agency or another government agency.

13 The legislature also finds that intra-governmental wheeling
14 has been a topic of discussion over the years in dockets at the
15 public utilities commission, but no related orders have been
16 filed. Intra-governmental wheeling was part of a broader
17 discussion on distributed generation in a docket opened in 2003



1 and the specific topic of discussion in a docket opened in 2007.
2 In the 2003 docket, the commission did not fully address the
3 issues relevant to intra-governmental wheeling. In the 2007
4 docket, all of the preliminary steps for the proceeding were
5 concluded by 2013. However, the docket remains open, but
6 stalled.

7 The purpose of this Act is to:

- 8 (1) Expedite the implementation of intra-governmental
9 wheeling by authorizing government agencies to wheel
10 electricity that is produced by their own facilities
11 from renewable energy resources, subject to
12 disallowance by the public utilities commission;
- 13 (2) Designate the natural energy laboratory of Hawaii as a
14 microgrid demonstration project; and
- 15 (3) Authorize the public utilities commission to allow
16 wheeling within the boundaries of the Hawaii ocean
17 science and technology park.

18 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
19 amended by adding two new sections to be appropriately
20 designated and to read as follows:



1 "§269- Wheeling; renewable energy; government agencies;
2 rules. (a) A government agency may engage in wheeling of
3 electricity produced at its own facilities from renewable energy
4 resources.

5 (b) The public utilities commission may disallow a
6 wheeling project if the commission determines that the project
7 is either:

8 (1) Detrimental to an electric utility company; or

9 (2) Not in the public interest.

10 (c) The public utilities commission shall adopt rules
11 pursuant to chapter 91 to implement this section.

12 §269- Microgrid demonstration project; natural energy
13 laboratory of Hawaii authority. The natural energy laboratory
14 of Hawaii authority is recognized as having the potential to
15 operate a microgrid. The property controlled by the natural
16 energy laboratory of Hawaii authority, established pursuant to
17 chapter 227D, is designated as a microgrid demonstration
18 project. The natural energy laboratory of Hawaii authority is
19 authorized to plan and design a microgrid on its property."



1 SECTION 3. The public utilities commission shall complete
2 its intra-governmental wheeling proceeding and establish an
3 intra-governmental tariff by December 31, 2020.

4 SECTION 4. The public utilities commission may consider
5 allowing wheeling among facilities located within the boundaries
6 of the Hawaii ocean science and technology park.

7 SECTION 5. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 2100.



Report Title:

Public Utilities Commission; Intra-governmental Wheeling

Description:

Authorizes any government agency to engage in the wheeling of electricity that is produced at its own facilities from renewable energy resources, subject to disallowance by the Public Utilities Commission. Designates the Natural Energy Laboratory of Hawaii Authority as a microgrid demonstration project. Authorizes the Public Utilities Commission to allow wheeling within the boundaries of the Hawaii Ocean Science and Technology Park. (HB298 HD1)

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