A BILL FOR AN ACT

RELATING TO SOLAR WATER HEATING.

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

1	SECTION 1. The purpose of this Act is to clarify that Act		
2	240, Session Laws of Hawaii 2006, refers to the trademarked Pay		
3	As You Save® program.		
4	SECTION 2. Act 240, Session Laws of Hawaii 2006, is		
5	amended by amending part IV to read as follows:		
6	"PART IV		
7	SOLAR WATER HEATING [PAY AS YOU SAVE] <u>PAY AS YOU SAVE®</u>		
8	SECTION 13. Solar water heating [pay as you save] <u>Pay As</u>		
9	You Save [®] program; purpose; establishment; tariff filing. (a)		
10	Solar water heating systems are a renewable energy technology		
11	that uses solar collectors placed on roofs to heat water. These		
12	systems decrease reliance on imported oil used to generate		
13	electricity to heat water because they use less energy than the		
14	electric hot water heating systems replaced.		
15	The legislature finds that the up-front cost of		
16	installation is a barrier preventing many Hawaii residents from		
17	installing solar water heating systems. The legislature further		
18	finds that the renewable energy technologies income tax credit		
	HB LRB 07-1578.doc		

1	and electric utility rebates have not been enough of an		
2	incentive to overcome these up-front costs, especially for		
3	rental housing and homes in need of retrofit for these important		
4	energy-saving devices.		
5	The purpose of this section is to authorize the public		
6	utilities commission to implement a pilot project to be called		
7	the "solar water heating [pay as you save] <u>Pay As You Save[®]</u>		
8	program".		
9	(b) The public utilities commission shall implement a		
10	pilot project to be called the "solar water heating [pay as you		
11	<pre>save] Pay As You Save[®] program", which shall:</pre>		
12	(1) Allow a residential electric utility customer to		
13	purchase a solar water heating system:		
14	(A) With no upfront payments; and		
15	(B) By paying the cost of the system over time on the		
16	customer's electricity bill;		
17	provided that the estimated life cycle electricity		
18	savings from the solar water heating system exceeds		
19	the cost of the system;		
20	(2) Provide for billing and payment of the solar water		
21	heating system on the utility bill;		



з

1	(3) Prov	ide for disconnection of utility service for non-		
2	paym	ent of solar water heating system [pay as you		
3	save] <u>Pay As You Save[®] payments;</u> and		
4	(4) Allo	w for assignment of system repayment costs		
5	atta	ched to the meter location.		
6	(c) The	public utilities commission shall determine the		
7	time frame of the pilot program and shall gather and analyze			
8	information to evaluate the pilot program.			
9	(d) No l	ater than June 30, 2007, each electric utility		
10	shall implement by tariff a [pay as you save] <u>Pay As You Save®</u>			
11	model system program for residential consumers that is			
12	consistent with this section. Each utility shall provide at			
13	least six months prior notice of its proposed tariff to the			
14	public utilities commission as prescribed in section 269-12(b),			
15	Hawaii Revised Statutes. Within the prescribed notice period,			
16	the public utilities commission shall review the proposed tariff			
17	and after a hearing may require modifications to the proposed			
18	tariff as necessary to comply with or effectuate the purposes of			
19	this section.			
20	(e) The	commission shall ensure that all reasonable costs		
21	incurred by electric utilities to start up and implement the			
22	[pay as you save] <u>Pay As You Save[®] model system are recovered</u>			
	HB LRB 07-1578			

1 part of the utility's revenue requirement, including necessary 2 billing system adjustments and any costs for [pay as you save] 3 <u>Pay As You Save®</u> model system efficiency measures that are not 4 recovered via participating residential consumers' [pay as you 5 save] <u>Pay As You Save®</u> model system bill payments or otherwise." 6 SECTION 3. Statutory material to be repealed is bracketed 7 and stricken. New statutory material is underscored.

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

INTRODUCED BY:

Male Carroll

JAN 2 3 2007

9



Report Title:

Solar Water Heating; Pay As You ${\tt Save}^{\circledast}$

Description:

Clarifies that Act 240, Session Laws of Hawaii 2006, refers to the Pay As You Save[®] program.

