

JAN 18 2008

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 the use of renewable
2 energy resources generated from local sources such as solar and
3 wind power benefit the State by providing nonpolluting sources
4 of electricity generation, and by the creation of jobs for local
5 industries that develop and sell renewable energy products and
6 technologies.

7 The purpose of this Act is to provide incentives for the
8 greater use of renewable energy technologies in Hawaii by
9 allowing eligible customer-generators to gain compensation for
10 net kilowatt-hour generation over their actual usage.

11 SECTION 2. Section 269-108, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§269-108 Net electricity producers; excess electricity**
14 **credits and credit carry over.** At the end of each monthly
15 billing period, where the electricity generated by the eligible
16 customer-generator during the month exceeds the electricity
17 supplied by the electric utility during that same period, the



1 eligible customer-generator is a net electricity producer and
2 the electric utility shall retain any excess kilowatt-hours
3 generated during the prior monthly billing period; provided that
4 the excess electricity generated by the customer-generator, if
5 any, in each monthly billing period shall be carried over to the
6 next month as a monetary value to the credit of the eligible
7 customer-generator, which credit may accumulate and be used to
8 offset the compensation owed the electric utility for the
9 eligible customer-generator's net kilowatt-hour consumption for
10 succeeding months within each twelve-month period; provided
11 further that the electric utility shall reconcile the eligible
12 customer-generator's electricity production and consumption for
13 each twelve-month period as set forth in section 269-106. [~~The
14 eligible customer generator shall not be owed any compensation
15 for excess kilowatt hours unless the electric utility enters
16 into a purchase agreement with the eligible customer generator
17 for those excess kilowatt hours.] "~~

18 SECTION 3. Section 269-106, Hawaii Revised Statutes, is
19 amended by amending subsection (b) to read as follows:

20 "(b) Credits for excess electricity from the eligible
21 customer-generator that remain unused after each twelve-month
22 reconciliation period may not be carried over to the next



1 twelve-month period[-]; provided that notwithstanding any other
 2 section in this part, the electric utility shall pay the
 3 eligible customer-generator for credits for excess electricity
 4 from the eligible customer-generator that remain unused after
 5 each twelve-month reconciliation period at the wholesale rate of
 6 the rate class to which the eligible customer-generator is
 7 normally assigned; provided that the amount paid by the electric
 8 utility to a customer-generator shall not exceed 15 cents per
 9 kilowatt-hour or \$2,000 per calendar year."

10 SECTION 4. Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval.
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Report Title:

Renewable Energy; Customer-generator; Compensation for
Electricity Generated

Description:

Provides incentives for the greater use of renewable energy technologies in Hawaii by allowing eligible customer-generators to gain compensation for electricity generated in surplus of their actual total usage. Requires electric utility to pay a customer-generator up to 15 cents per kilowatt-hour or up to \$2,000 in a calendar year.

