
A BILL FOR AN ACT

RELATING TO PHOTOVOLTAIC SYSTEMS FOR PAY AS YOU SAVE.

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

1 SECTION 1. Act 240, Session Laws of Hawaii 2006, is
2 amended by amending section 13 to read as follows:
3 "SECTION 13. **Solar [water heating] pay as you save**
4 **program; purpose; establishment; tariff filing.** (a) Solar
5 water heating systems are a renewable energy technology that
6 uses solar collectors placed on roofs to heat water. [~~These~~]
7 Photovoltaic systems use solar collectors to generate
8 electricity. Solar water heating systems decrease reliance on
9 imported oil used to generate electricity to heat water because
10 they use less energy than the electric hot water heating systems
11 replaced. Photovoltaic systems also decrease reliance on
12 imported oil by generating electricity on site for residential
13 use.

14 The legislature finds that the up-front cost of
15 installation is a barrier preventing many Hawaii residents from
16 installing solar water heating systems[+] and photovoltaic
17 systems. The legislature further finds that the renewable
18 energy technologies income tax credit and electric utility



1 rebates have not been enough of an incentive to overcome these
2 up-front costs, especially for rental housing and homes in need
3 of retrofit for these important energy-saving devices.

4 The purpose of this section is to authorize the public
5 utilities commission to implement a pilot project to be called
6 the "solar [~~water heating~~] pay as you save program".

7 (b) The public utilities commission shall implement a
8 pilot project to be called the "solar [~~water heating~~] pay as you
9 save program", which shall:

10 (1) Allow a residential electric utility customer to
11 purchase a solar water heating or photovoltaic
12 system[+], or both:

13 (A) With no upfront payments; and

14 (B) By paying the cost of the system or systems over
15 time on the customer's electricity bill;
16 provided that the estimated life cycle electricity
17 savings from the solar [~~water heating~~] system or
18 systems exceeds the cost of the system;

19 (2) Provide for billing and payment of the solar [~~water~~
20 ~~heating~~] system or systems on the utility bill;



1 (3) Provide for disconnection of utility service for non-
2 payment of the solar [~~water heating~~] system or systems
3 pay as you save payments; and

4 (4) Allow for assignment of system or systems repayment
5 costs attached 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 later than December 31, [~~2007~~] 2009, each electric
10 utility shall implement by tariff a pay as you save model system
11 program for residential consumers that is consistent with this
12 section. Each utility shall provide at least six months prior
13 notice of its proposed tariff to the public utilities commission
14 as prescribed in section 269-12(b), Hawaii Revised Statutes.
15 Within the prescribed notice period, the public utilities
16 commission shall review the proposed tariff and after a hearing
17 may require modifications to the proposed tariff as necessary to
18 comply with or effectuate the purposes of this section.

19 (e) The commission shall ensure that all reasonable costs
20 incurred by electric utilities to start up and implement the pay
21 as you save model system are recovered as part of the utility's
22 revenue requirement, including necessary billing system



1 adjustments and any costs for pay as you save model system
2 efficiency measures that are not recovered via participating
3 residential consumers' pay as you save model system bill
4 payments or otherwise."

5 SECTION 2. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 3. This Act shall take effect upon its approval.



Report Title:

Energy Conservation; Pay As You Save

Description:

Expands the successful "Pay As You Save" solar water heater program to photovoltaic systems that convert sunshine into electricity, allowing users to pay each month through their electricity bill. (SD1)

