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# 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 State must  
2 improve and develop new types of renewable energy to reduce  
3 dependence on imported oil to generate electricity.  
4 Accordingly, the legislature enacted the net energy metering law  
5 as an effective incentive for the rapid development of renewable  
6 electricity self-generation at low cost to the public.

7           The purpose of this Act is to facilitate renewable energy  
8 development in Hawaii and reduce the State's dependence on  
9 imported oil by permitting existing net metered customers to  
10 remain with the program once a feed-in tariff or other tariff  
11 structures are implemented.

12           SECTION 2. Chapter 269, part VI, Hawaii Revised Statutes,  
13 is amended as follows:

14           1. By amending section 269-101 to read:

15           "**§269-101 Definitions.** As used in this part:

16           "Eligible customer-generator" means a metered residential  
17 or commercial customer, including a government entity, of an

1 electric utility who owns and operates, leases, or purchases  
2 electricity from a solar, wind turbine, biomass, or  
3 hydroelectric energy generating facility, or a hybrid system  
4 consisting of two or more of these facilities, that is:

- 5 (1) Located on the customer's premises;
- 6 (2) Operated in parallel with the utility's transmission  
7 and distribution facilities;
- 8 (3) In conformance with the utility's interconnection  
9 requirements; and
- 10 (4) Intended primarily to offset part or all of the  
11 customer's own electrical requirements.

12 "Net energy metering" means measuring the difference  
13 between the electricity supplied through the electric grid and  
14 the electricity generated by an eligible customer-generator and  
15 fed back to the electric grid over a monthly billing period;  
16 provided that:

- 17 (1) Net energy metering shall be accomplished using a  
18 single meter capable of registering the flow of  
19 electricity in two directions;
- 20 (2) An additional meter or meters to monitor the flow of  
21 electricity in each direction may be installed with  
22 the consent of the customer-generator, at the expense

1 of the electric utility, and the additional metering  
2 shall be used only to provide the information  
3 necessary to accurately bill or credit the customer-  
4 generator, or to collect solar, wind turbine, biomass,  
5 or hydroelectric energy generating system performance  
6 information for research purposes;

7 (3) If the existing electrical meter of an eligible  
8 customer-generator is not capable of measuring the  
9 flow of electricity in two directions, the electric  
10 utility shall be responsible for all expenses involved  
11 in purchasing and installing a meter that is able to  
12 measure electricity flow in two directions;

13 (4) If an additional meter or meters are installed, the  
14 net energy metering calculation shall yield a result  
15 identical to that of a single meter; [~~and~~]

16 (5) An eligible customer-generator who already owns an  
17 existing solar, wind turbine, biomass, or  
18 hydroelectric energy generating facility, or a hybrid  
19 system consisting of two or more of these facilities,  
20 is eligible to receive net energy metering service in  
21 accordance with this part~~(-)~~; and

1       (6) The electric utility shall not unreasonably deny,  
2           burden, or delay an eligible customer-generator's  
3           request to participate in net energy metering."

4       2. By amending section 269-110 to read:

5       "~~§269-110 [Termination by eligible customer-generators.]~~

6       Eligible customer-generators; termination; alternative credits

7       or compensation mechanisms. (a) If an eligible customer-

8       generator terminates the customer relationship with the electric  
9       utility, the electric utility shall reconcile the eligible  
10      customer-generator's consumption and production of electricity,  
11      including any unused credits for excess electricity from the  
12      eligible customer-generator carried over from prior months, for  
13      the period following the last twelve-month reconciliation period  
14      to the date of termination of the relationship, according to the  
15      requirements set forth in this part.

16      (b) If the public utilities commission, at any time,  
17      establishes alternative mechanisms for crediting or otherwise  
18      compensating eligible customer-generators for exported power,  
19      eligible customer-generators with existing net energy metering  
20      contracts shall have the option of maintaining these existing  
21      net energy metering contracts rather than converting to new  
22      alternative credits or compensation mechanisms."

1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

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

**Report Title:**

Net Energy Metering; Renewable Energy; Electricity; Public  
Utilities Commission

**Description:**

Permits existing net metered customers to remain with net metering program once alternative credits or compensation mechanisms are created. Prohibits electric utility from unreasonably denying, burdening, or delaying net energy metering contracts. (SD2)