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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 achievement of  
2 energy security, economic development, and a reduction in carbon  
3 emissions are in the interest of the citizens of Hawaii. Net  
4 energy metering advances each of these goals, and does so in a  
5 manner that marshals substantial federal moneys and private  
6 capital.

7           The legislature finds that net energy metering should  
8 persist even if the public utilities commission establishes  
9 alternative compensation systems for distributed power  
10 generators, such as feed-in tariffs, because net energy metering  
11 serves a different need in the renewable energy marketplace.

12           The legislature further finds that there is no technical  
13 justification for setting net energy metering project size  
14 limits at the current maximum of one hundred kilowatts. Other  
15 utility procurement mechanisms for distributed renewable energy  
16 generating systems, including feed-in tariff and standard  
17 interconnection, have no such limits or are capped at  
18 dramatically higher levels.



1       The legislature further finds that net energy metering  
2 should be perpetuated regardless of the introduction and uptake  
3 level of alternative distributed generation procurement  
4 programs. Additionally, customer-generators with net energy  
5 metering contracts should be allowed to maintain those existing  
6 contracts.

7       In conclusion, the legislature finds that the net energy  
8 metering program should be expanded. This Act applies only to  
9 investor-owned utilities.

10       SECTION 2. Section 269-101.5, Hawaii Revised Statutes, is  
11 amended to read as follows:

12       "~~§~~269-101.5~~§~~ **Maximum capacity of eligible customer-**  
13 **generator.** The eligible customer-generator shall have a  
14 capacity of not more than ~~[fifty kilowatts,]~~ two megawatts;  
15 provided that the public utilities commission may increase the  
16 maximum allowable capacity that eligible customer-generators may  
17 have to an amount greater than ~~[fifty kilowatts]~~ two megawatts  
18 by rule or order."

19       SECTION 3. Section 269-110, Hawaii Revised Statutes, is  
20 amended to read as follows:

21       "**§269-110 Termination by eligible customer-generators.** If  
22 an eligible customer-generator terminates the customer



1 relationship with the electric utility, the electric utility  
2 shall reconcile the eligible customer-generator's consumption  
3 and production of electricity, including any unused credits for  
4 excess electricity from the eligible customer-generator carried  
5 over from prior months, for the period following the last  
6 twelve-month reconciliation period to the date of termination of  
7 the relationship, according to the requirements set forth in  
8 this part.

9 If the public utilities commission at any time establishes  
10 alternative mechanisms for crediting or otherwise compensating  
11 eligible customer-generators for exported power, eligible  
12 customer-generators with existing net energy metering contracts  
13 shall have the option of maintaining those existing net energy  
14 metering contracts rather than converting to new alternative  
15 credits or compensation mechanisms."

16 SECTION 4. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

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

Net Energy Metering; Renewable Energy; Public Utilities  
Commission

**Description:**

Increases the net metering system size cap to two megawatts.  
Ensures that net metering contracts cannot be canceled with the  
introduction of new distributed generation energy procurement  
programs. (SD1)

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