



GOV. MSG. NO. 1308

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

July 8, 2011

The Honorable Shan Tsutsui, President  
and Members of the Senate  
Twenty-Sixth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

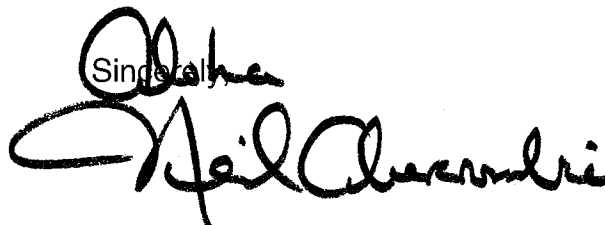
The Honorable Calvin Say, Speaker  
and Members of the House  
Twenty-Sixth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 8, 2011, the following bill was signed into law:

HB1520 HD2 SD2 CD1

RELATING TO RENEWABLE ENERGY.  
Act 204 (11)

  
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NEIL ABERCROMBIE  
Governor, State of Hawaii

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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 up-front costs of  
2 renewable energy systems and energy efficient devices are a key  
3 barrier preventing many Hawaii residents and businesses from  
4 purchasing such systems and devices. Further, existing clean  
5 energy incentive programs inadequately serve electric utility  
6 company customers who are renters and or who lack the resources  
7 to invest in renewable energy or energy efficiency. The  
8 legislature finds that it is in the public interest to make  
9 cost-effective renewable energy and energy efficiency options  
10 more accessible to residents and businesses statewide in an  
11 equitable way.

12 The purpose of this Act is to direct the public utilities  
13 commission to investigate the viability of an on-bill financing  
14 program to allow electric utility company customers to finance  
15 purchases of renewable energy systems or energy efficient  
16 devices through the energy savings provided by such systems or  
17 devices.



1 SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
2 amended by adding a new section to part VII to be appropriately  
3 designated and to read as follows:

4 "§269- On-bill financing for energy efficiency and  
5 renewable energy. (a) The public utilities commission shall  
6 investigate an on-bill financing program that would allow an  
7 electric utility company customer to purchase or otherwise  
8 acquire a renewable energy system or energy efficient device, as  
9 determined by the public utilities commission, by providing for  
10 billing and payment of such a system or device through an  
11 assessment on the electric utility company customer's  
12 electricity bill.

13 (b) In investigating an on-bill financing program, the  
14 public utilities commission may consider:

- 15 (1) The costs and benefits associated with the  
16 establishment and administration of the program;  
17 (2) The ability of the program to effectively provide  
18 lifecycle cost savings to participating electric  
19 utility company customers;  
20 (3) The ability of the program to make renewable energy  
21 and energy efficiency more accessible to the rental  
22 market and other underserved markets;



- 1        (4) Methods to structure the program to ensure that any
- 2            public benefits fee funds are spent cost-effectively
- 3            and in compliance with applicable statutes;
- 4        (5) The use of non-ratepayer funds or private capital to
- 5            provide financing for renewable energy systems or
- 6            energy efficient devices acquired through the program;
- 7        (6) Reasonable penalties, which may include fines and
- 8            disconnection of utility services, for nonpayment of
- 9            on-bill financing costs;
- 10        (7) The ability of an electric utility company to recover
- 11            costs incurred due to the program; and
- 12        (8) Other issues the public utilities commission deems
- 13            appropriate.
- 14        (c) If on-bill financing is determined by the public
- 15 utilities commission to be viable, the public utilities
- 16 commission may implement an on-bill financing program by
- 17 decision and order or by rules pursuant to chapter 91.

18        SECTION 3. New statutory material is underscored.

19        SECTION 4. This Act shall take effect on July 1, 2011.



H.B. NO.

1520  
H.D. 2  
S.D. 2  
C.D. 1

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APPROVED this 8 day of JUL, 2011



GOVERNOR OF THE STATE OF HAWAII