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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 is in support of renewable  
2 energy programs to reduce dependence on imported fossil fuels  
3 and to promote the reduction of greenhouse gas emissions, while  
4 also increasing energy security by minimizing the impacts of  
5 supply disruptions and pricing volatility.

6           The legislature finds that the high initial cost of  
7 purchasing renewable energy systems is a barrier to the  
8 installation and utilization of these types of technologies.  
9 The legislature also finds that the renewable energy income tax  
10 credit, the high cost of electricity, and other market-based  
11 incentives may not be sufficient to encourage, in particular,  
12 the use of hydrokinetic energy systems throughout Hawaii.

13           Accordingly, the purpose of this Act is to encourage and  
14 authorize the public utilities commission to establish a  
15 ratepayer-funded hydrokinetic energy rebate program to promote  
16 the use of this renewable energy technology to utility customers  
17 within electric utility service areas, if the public utilities  
18 commission determines after an assessment of the costs and



1 benefits of such a program that it is in the public interest to  
2 establish such a program.

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

6 "§269- Hydrokinetic energy rebate program;  
7 establishment. (a) The public utilities commission may  
8 establish a ratepayer-funded hydrokinetic energy rebate program  
9 upon evaluating the costs and benefits of a rebate program and  
10 determining that a rebate program is in the public interest.

11 (b) To qualify for the hydrokinetic rebate program,  
12 applicants shall comply with requirements and conditions  
13 established by the public utilities commission.

14 (c) Rebate amounts and other program specifications for  
15 the hydrokinetic rebate program shall be established by the  
16 public utilities commission; provided that the total amount of  
17 rebates approved by the public utilities commission under this  
18 section shall not exceed \$ \_\_\_\_\_, in the aggregate.

19 (d) The public utilities commission shall effectuate the  
20 purposes of this section by rules adopted pursuant to chapter 91  
21 or order.



1       (e) The public utilities commission may delegate the  
2 administration of the hydrokinetic energy rebate program to the  
3 public benefits fund administrator established pursuant to  
4 section 269-122.

5       (f) For the purposes of this section, "hydrokinetic  
6 energy" means energy derived from:

7       (1) Waves, tides, and currents in oceans, estuaries, and  
8       tidal areas;

9       (2) Free flowing water in rivers, lakes, and streams;

10       (3) Free flowing water in an irrigation system, canal, or  
11       other man-made channel, including projects that  
12       utilize non-mechanical structures to accelerate the  
13       flow of water for electric power production purposes;

14       or

15       (4) Differentials in ocean temperature.

16       Hydrokinetic energy shall not include any energy that is  
17 derived from any source that utilizes a dam, diversionary  
18 structure except as provided in paragraph (3), or impoundment  
19 for electric power production purposes."

20       SECTION 2. New statutory material is underscored.



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

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# H.B. NO. 2311

**Report Title:**

Hydrokinetic Energy Rebate Program; Renewable Energy

**Description:**

Authorizes the public utilities commission to establish a ratepayer-funded hydrokinetic energy rebate program.

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