
A BILL FOR AN ACT

RELATING TO ELECTRIC WHEELING.

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

1 SECTION 1. The legislature finds that Hawaii relies on
2 imported oil to meet over ninety per cent of the State's energy
3 needs, leaving the State vulnerable to supply interruptions and
4 oil price volatility. Bold action is needed to develop a
5 progressive energy strategy for Hawaii that integrates Hawaii's
6 indigenous energy resources into electricity production to
7 promote economic stability, enhance energy security, and
8 demonstrate environmental stewardship.

9 The purpose of this Act is to require the public utilities
10 commission to establish a wheeling tariff to enable suppliers of
11 electricity to use the transmission and distribution facilities
12 of an electric utility to distribute power to the suppliers'
13 end-use customers.

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

17 "§269- Wheeling tariff. (a) No later than January 1,
18 2012, the public utilities commission shall establish a wheeling



1 tariff to enable the wheeling of electricity generated by
2 nonutility electric energy producers over an electric utility's
3 distribution and transmission facilities to the nonutility
4 electric energy producers' end-use customers; provided that the
5 commission shall establish requirements in conjunction with the
6 tariff to ensure, among other things:

7 (1) Nondiscriminatory access by nonutility electric energy
8 producers to the electric utility's distribution and
9 transmission facilities;

10 (2) The financial responsibility of nonutility electric
11 energy producers;

12 (3) The ability and willingness of a nonutility electric
13 energy producer to supply power in accordance with
14 statutes, rules, contracts, agreements, and
15 arrangements; and

16 (4) Fair dealing between electric utilities and all other
17 electric energy producers.

18 (b) For purposes of this section, "wheeling" means the act
19 of transporting electric power using distribution and
20 transmission facilities owned or operated by an electric
21 utility.



1 (c) Wheeling tariffs paid to an electric utility by a
 2 nonutility electric energy producer shall be used solely by the
 3 electric utility to offset the actual cost of electricity
 4 transmission and distribution.

5 (d) The commission shall establish rules, pursuant to
 6 chapter 91, to implement this section."

7 SECTION 3. New statutory material is underscored.

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

9

INTRODUCED BY:

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Report Title:

Public Utilities Commission; Wheeling Tariff

Description:

Requires the public utilities commission to establish a wheeling tariff to enable nonutility electric energy producers to use the transmission and distribution facilities of an electric utility to distribute power to the producers' end-use customers.

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