

JAN 25 2012

A BILL FOR AN ACT

RELATING TO PUBLIC UTILITIES.

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 chart a
5 progressive energy strategy for Hawaii that includes the
6 integration of Hawaii's renewable energy resources in
7 electricity production to promote economic stability, enhance
8 energy security, and demonstrate environmental stewardship.

9 The purpose of this Act is to authorize the public
10 utilities commission to establish a wheeling tariff to enable
11 nonutility suppliers of electricity to use the transmission and
12 distribution facilities of an electric utility to distribute
13 power to the suppliers' 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) The public utilities
18 commission is authorized to establish a wheeling tariff to



1 enable the wheeling of electricity generated by nonutility
2 generators over an electric utility's distribution and
3 transmission facilities to the nonutility generators' end-use
4 customers.

5 (b) The public utilities commission may establish
6 requirements in conjunction with the tariff to ensure, among
7 other things:

8 (1) Nondiscriminatory access by nonutility generators to
9 the electric utility's distribution and transmission
10 facilities by requiring each nonutility generator to
11 sell per cent of the anticipated amount of energy
12 produced each year to residential end customers and
13 per cent of the anticipated amount of energy
14 produced each year to non-residential end customers;

15 (2) That wheeling tariffs paid to an electric utility
16 producer by a nonutility generator shall be used
17 solely by the electric utility to offset the actual
18 cost of transmitting and distributing the energy
19 produced by the nonutility generator;

20 (3) The financial responsibility of nonutility generators;

21 (4) The ability and willingness of a nonutility generator
22 to supply power in accordance with all applicable



1 statutes, rules, contracts, agreements, and
2 arrangements; and

3 (5) Fair dealing between electric utilities and all other
4 electric energy producers.

5 (c) The public utilities commission may adopt rules
6 pursuant to chapter 91 to implement this section.

7 For the purposes of this section:

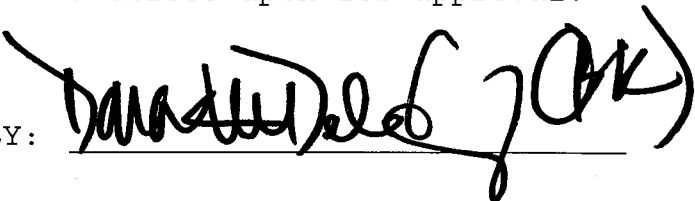
8 "Nonutility generator" means a person or entity that
9 produces electrical energy but is not a public utility.

10 "Wheeling" means the act of transporting electric power
11 using distribution and transmission facilities owned or operated
12 by an electric utility."

13 SECTION 3. New statutory material is underscored.

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

15

INTRODUCED BY: 

S.B. NO. 2930

Report Title:

Public Utilities; Renewable Energy

Description:

Allows the public utilities commission to permit a third party generator of electrical energy to sell directly to third party consumers by enabling wheeling over an electric utility's transmission and distribution facilities. Allows the public utilities commission to set requirements for the amount of energy that each third party generator may sell to commercial and residential customers.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

