
A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

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

1 SECTION 1. The legislature finds that transparency in the
2 process of purchasing renewable electricity generated from
3 nonfossil fuel sources serves the interests of independent power
4 producers who compete to sell energy to the energy utilities and
5 of the rate-paying public by creating an opportunity for review
6 and oversight of the public utilities commission's decision-
7 making process.

8 The purpose of this Act is to increase transparency in
9 power purchase contracts for renewable energy by requiring the
10 public utilities commission to publish power purchase contracts,
11 in their entirety, on its website.

12 SECTION 2. Section 269-27.2, Hawaii Revised Statutes, is
13 amended by amending subsection (c) to read as follows:

14 "(c) The rate payable by the public utility to the
15 producer for the nonfossil fuel generated electricity supplied
16 to the public utility shall be as agreed between the public
17 utility and the supplier and as approved by the public utilities
18 commission; provided that in the event the public utility and



1 the supplier fail to reach an agreement for a rate, the rate
2 shall be as prescribed by the public utilities commission
3 according to the powers and procedures provided in this chapter.

4 The commission's determination of the just and reasonable
5 rate shall be accomplished by establishing a methodology that
6 removes or significantly reduces any linkage between the price
7 of fossil fuels and the rate for the nonfossil fuel generated
8 electricity to potentially enable utility customers to share in
9 the benefits of fuel cost savings resulting from the use of
10 nonfossil fuel generated electricity. As the commission deems
11 appropriate, the just and reasonable rate for nonfossil fuel
12 generated electricity supplied to the public utility by the
13 producer may include mechanisms for reasonable and appropriate
14 incremental adjustments, such as adjustments linked to consumer
15 price indices for inflation or other acceptable adjustment
16 mechanisms.

17 The commission shall publish all contracts for the purchase
18 of nonfossil fuel generated energy by a public utility on a
19 publicly-accessible portion of the commission's website;
20 provided that all contracts shall include the purchase price of
21 energy expressed as cost per kilowatt hour as approved or
22 determined by the commission. All contracts shall be published



1 upon filing of the contract with the commission; provided that a
2 contract may be published at the time of filing with certain
3 proprietary information redacted; provided further that upon a
4 final approval or determination of the commission, the contract
5 shall be published in its entirety."

6 SECTION 3. New statutory material is underscored.

7 SECTION 4. This Act shall take effect on July 1, 2013.

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INTRODUCED BY:



JAN 24 2013



H.B. NO. 1405

Report Title:

Renewable Energy; Public Utilities Commission

Description:

Requires the public utilities commission to publish contracts, including price information, for the purchase of renewable energy by energy utilities on a publicly-accessible portion of the commission's website, with certain exceptions.

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