

HOUSE RESOLUTION

URGING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH REDUCED

TARIFFS FOR THE SALE OF ELECTRICITY GENERATED BY NONFOSSIL

FUEL PRODUCERS THAT ELECTRIC UTILITIES WOULD OTHERWISE

CURTAIL DURING OFF-PEAK HOURS TO PERSONS ENGAGED IN

AQUACULTURE, AQUAPONICS, AND AGRICULTURE.

WHEREAS, the State of Hawaii recognizes the importance of a self-sufficient and sustainable economy; and

WHEREAS, approximately ninety per cent of all food consumed in Hawaii is imported; and

WHEREAS, although agricultural products are grown in Hawaii, the welfare of Hawaii's people would be enhanced by developing agricultural production and processing as fully as possible, including the growing and processing of agricultural crops and the production of livestock, poultry, and other agricultural products; and

WHEREAS, as part of the Hawaii Clean Energy Initiative and in close cooperation with the United States Department of Energy, Hawaii has undertaken pioneering efforts to develop its own indigenous renewable energy resources for the production of electricity throughout the State, thus reducing the need to import expensive fossil fuels and the State's vulnerability to disruptions in the supply of energy sources; and

WHEREAS, notwithstanding the development of renewable energy resources, the electric utilities in Hawaii do not fully utilize the renewable energy, because the utilities significantly curtail its use during off-peak hours, thus resulting in excess energy production; and

WHEREAS, persons engaged in agricultural production, including the production of livestock and poultry, have been adversely affected by rising electricity rates that increase the costs of agricultural production and ultimately detrimentally impact the people of Hawaii; and

WHEREAS, if the excess renewable energy resulting from the curtailing by the electric utilities during off-peak hours were made available for purchase by persons engaged in agricultural production under a reduced tariff or reduced electricity rate, the excess energy would be consumed to the benefit of all parties involved; and

1 2

WHEREAS, in such a case, the following benefits would be realized:

(1) Persons engaged in agricultural production would receive electricity at reduced rates during off-peak hours, thereby enhancing agricultural production;

(2) Electric utilities would have a customer base of persons engaged in agricultural production and would be able to minimize the need to curtail excess renewable energy;

(3) Nonfossil fuel producers would be able to avoid curtailment and could continue to generate electricity and be paid for it;

(4) Consumers would benefit from having a strong and sustainable agricultural sector to provide Hawaii-grown food, including livestock and poultry; and

(5) The State would reduce its reliance on imported fossil fuels and strengthen Hawaii's indigenous renewable energy resources; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, that the Public Utilities Commission is urged to establish, in cooperation with Hawaii's regulated electric utilities, reduced tariffs for the sale of electricity generated by nonfossil fuel producers that the utilities would otherwise curtail during off-peak hours to persons engaged in aquaculture, aquaponics, and agriculture, including the growing and processing of agricultural crops and the production of livestock, poultry, and other agricultural products; and

BE IT FURTHER RESOLVED that the Public Utilities Commission is requested to submit a report on the establishment of the

HR LRB 13-0623.doc



reduced tariff to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Public Utilities Commission; Director of the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Chairperson of the Board of Agriculture; Director of Business, Economic Development, and Tourism; Director of Health; Mayor of the County of Hawaii; Mayor of the County of Maui; Mayor of the City and County of Honolulu; Mayor of the County of Kauai; President of Hawaii Electric Light Company, Inc.; President of Maui Electric Company, Ltd.; President of Hawaiian Electric Company, Inc.; President of Kauai Island Utility Cooperative; Chairperson of the Board of Directors of the Chamber of Commerce of Hawaii; President of the Board of Directors of the Hawaii Farm Bureau Federation; and the Commander of the United States Pacific Command.

OFFERED BY:

MAR 0 7 2013