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# A BILL FOR AN ACT

RELATING TO GREEN INFRASTRUCTURE.

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

1           SECTION 1. The legislature finds that building Hawaii's  
2 clean energy infrastructure at the lowest possible cost is vital  
3 to the State reaching its seventy per cent clean energy goal in  
4 2030.

5           The legislature finds that significant investment in  
6 infrastructure installations is required to achieve the State's  
7 goals of energy self-sufficiency, greater energy security and  
8 diversification, and to support the achievement of the renewable  
9 portfolio standards and energy efficiency portfolio standards,  
10 as established in chapter 269, Hawaii Revised Statutes.

11 Further, these infrastructure installations will require  
12 significant amounts of capital, and it is in the public interest  
13 to minimize these costs. A key component to minimizing cost is  
14 reducing the cost of capital required to finance infrastructure  
15 installations.

16           The legislature further finds that up-front costs of green  
17 infrastructure equipment are a barrier preventing many electric  
18 utility customers from investing in these infrastructure



1 installations. Existing programs and incentives do not serve  
2 the entire spectrum of the customer market, particularly those  
3 customers who lack access to capital or who cannot afford the  
4 large upfront costs required, thus creating an underserved  
5 market. It is in the public interest to make cost-effective  
6 green infrastructure equipment options accessible and affordable  
7 to customers in an equitable way.

8 A green infrastructure financing program administered by  
9 the State that capitalizes on existing ratepayer contributions  
10 for green infrastructure equipment can serve a critical role in  
11 ensuring all Hawaii electricity ratepayers receive the greatest  
12 opportunity to adopt clean energy. The legislature further  
13 finds the State would be best served by a State-administered  
14 green infrastructure financing program that:

- 15 (1) Focuses on providing an alternative means of low-cost  
16 financing for green infrastructure equipment for  
17 Hawaii ratepayers, particularly those ratepayers not  
18 currently able to obtain such technology on reasonable  
19 financing terms;
- 20 (2) Utilizes excess loan program funds as a fund to  
21 finance additional green infrastructure installations,  
22 subject to regulatory guidelines and approval; and



1           (3) Establishes clearly defined program procedures and  
2           targets that encourage effective coordination among  
3           state agencies, industry, investors, and other  
4           critical energy industry stakeholders in order to help  
5           the State achieve its clean energy policy mandates.

6           The purpose of this Act is to establish a regulatory  
7           financing structure that authorizes the public utilities  
8           commission and the department of business, economic development,  
9           and tourism to acquire and provide alternative low-cost  
10          financing, to be deployed through a financing program to enable  
11          installations of green infrastructure equipment, achieve  
12          measurable cost savings, and achieve Hawaii's clean energy  
13          goals.

14          SECTION 2. Chapter 196, Hawaii Revised Statutes, is  
15          amended by adding a new part to be appropriately designated and  
16          to read as follows:

17                   **"PART           .   GREEN INFRASTRUCTURE LOANS**

18           **§196-A Definitions.** As used in this part:

19           "Authority" means the Hawaii green infrastructure authority  
20          as established under section 196-C; provided that until the  
21          authority is duly constituted the department may exercise all  
22          powers reserved to the authority.



1 "Clean energy technology" means any technology as defined  
2 in section 269-A.

3 "Department" means the department of business, economic  
4 development, and tourism, or any successor by law.

5 "Director" means the director of business, economic  
6 development, and tourism, or the director's designee.

7 "Financing order" means the order as defined in section  
8 269-A.

9 "Financing party" means the same as defined in section  
10 269-A.

11 "Green infrastructure bond" means any bond, as defined in  
12 section 269-A, issued by the State acting through the  
13 department.

14 "Green infrastructure bond fund" means the special fund  
15 created pursuant to section 196-G.

16 "Green infrastructure charge" means the on-bill charges for  
17 the use and services of the green infrastructure loan program,  
18 including the repayment of loans made under the green  
19 infrastructure loan program, as authorized by the public  
20 utilities commission to be imposed on electric utility  
21 customers.



1 "Green infrastructure costs" means costs incurred or to be  
2 incurred by the electric utility customers to pay for clean  
3 energy technology, demand response technology, and energy use  
4 reduction and demand side management infrastructure including,  
5 without limitation, the purchase or installation of green  
6 infrastructure equipment, programs, and services authorized by  
7 the green infrastructure loan program.

8 "Green infrastructure equipment" means infrastructure  
9 improvements, equipment, and personal property to be installed  
10 to deploy clean energy technology, demand response technology,  
11 and energy use reduction and demand side management  
12 infrastructure.

13 "Green infrastructure fee" means the same as defined in  
14 section 269-A.

15 "Green infrastructure loan program" and "green  
16 infrastructure loans" means the program established by this part  
17 and loans made to finance the purchase or installation of green  
18 infrastructure equipment for clean energy technology, demand  
19 response technology, and energy use reduction and demand side  
20 management infrastructure, programs, and services as authorized  
21 by the public utilities commission using the proceeds of green  
22 infrastructure bonds or other proceeds. This loan program may



1 include loans made to private entities, whether corporations,  
2 partnerships, limited liability companies, or other persons,  
3 which entities may lease or provide green infrastructure  
4 equipment to electric utility customers, as well as make direct  
5 loans to electric utility customers, on terms approved by the  
6 authority.

7 "Green infrastructure loan program order" means the same as  
8 defined in section 269-A.

9 "Green infrastructure property" means the same as defined  
10 in section 269-A.

11 "Green infrastructure special fund" means the special fund  
12 created pursuant to section 196-E.

13 **§196-B Hawaii green infrastructure loan program.** There is  
14 established a Hawaii green infrastructure loan program, which  
15 shall be a loan program as defined under section 39-51. The  
16 green infrastructure loan program shall be administered by the  
17 authority on behalf of the department in a manner consistent  
18 with chapter 39, part III.

19 **§196-C Hawaii green infrastructure authority.** There is  
20 established the Hawaii green infrastructure authority as an  
21 instrumentality of the State comprising five members. The  
22 director, the director of finance, and the energy program



1 administrator of the department shall be members of the  
2 authority. The governor shall appoint the other two members,  
3 pursuant to section 26-34. The director shall be the  
4 chairperson of the authority. The authority shall be placed  
5 within the department for administrative purposes, pursuant to  
6 section 26-35.

7 **§196-D Functions, powers, and duties of the authority.**

8 (a) In the performance of, and with respect to the functions,  
9 powers, and duties vested in the authority by this part, the  
10 authority may, as directed by the director and in accordance  
11 with a green infrastructure loan program order or orders under  
12 section 269-K or an annual plan submitted by the authority  
13 pursuant to this section, as approved by the public utilities  
14 commission:

- 15 (1) Make loans and expend funds to finance the purchase or  
16 installation of green infrastructure equipment for  
17 clean energy technology, demand response technology,  
18 and energy use reduction and demand side management  
19 infrastructure, programs, and services;
- 20 (2) Hold and invest moneys in the green infrastructure  
21 special fund in investments as permitted by law and in  
22 accordance with approved investment guidelines



- 1 established in one or more orders issued by the public  
2 utilities commission pursuant to section 269-K;
- 3 (3) Hire employees necessary to perform its duties,  
4 including an executive director. The executive  
5 director shall be appointed by the authority, and the  
6 employees' positions, including the executive  
7 director's position, shall be exempt from chapter 76;
- 8 (4) Enter into contracts for the service of consultants  
9 for rendering professional and technical assistance  
10 and advice, and any other contracts that are necessary  
11 and proper for the implementation of the program;
- 12 (5) Enter into contracts for the administration of the  
13 green infrastructure loan program, without the  
14 necessity of complying with chapter 103D;
- 15 (6) Establish loan program guidelines to be approved in  
16 one or more orders issued by the public utilities  
17 commission pursuant to section 269-K to carry out the  
18 purposes of this part;
- 19 (7) Be audited at least annually by a firm of independent  
20 certified public accountants selected by the  
21 authority, and provide the results of this audit to  
22 the department; and





1           (8) Perform all functions necessary to effectuate the  
2           purposes of this part.

3           (b) The authority shall submit to the public utilities  
4 commission an annual plan for review and approval no later than  
5 ninety days prior to the start of a fiscal year. The annual  
6 plan submitted by the authority shall include the authority's  
7 projected operational budget for the succeeding fiscal year.

8           **§196-E Hawaii green infrastructure special fund.** (a)  
9 There is established the Hawaii green infrastructure special  
10 fund into which shall be deposited:

11           (1) The proceeds of green infrastructure bonds net of  
12 issuance costs and reserves or overcollateralization  
13 amounts;

14           (2) Green infrastructure charges received for the use and  
15 services of the green infrastructure loan program,  
16 including the repayment of loans made under the green  
17 infrastructure loan program;

18           (3) All other funds received by the department or the  
19 authority and legally available for the purposes of  
20 the green infrastructure special fund; and

21           (4) Interest earnings on all amounts in the green  
22 infrastructure special fund; and



1           (5) Such other moneys as shall be permitted by an order of  
2           the public utilities commission.

3           The Hawaii green infrastructure special fund shall not be  
4 subject to section 37-53. Any amounts received from green  
5 infrastructure charges or any other net proceeds earned from the  
6 allocation, use, expenditure, or other disposition of amounts  
7 approved by the public utilities commission and deposited or  
8 held in the Hawaii green infrastructure special fund in excess  
9 of amounts necessary for the purposes of subsection (b) shall be  
10 credited to electric utility customers as provided in a green  
11 infrastructure loan program order or orders. Funds that are  
12 transferred back to the electric utility in order to credit  
13 electric utility customers under this subsection shall not be  
14 considered revenue of the electric utility and shall not be  
15 subject to state or county taxes.

16           (b) Moneys in the Hawaii green infrastructure special fund  
17 may be used, subject to the approval of the public utilities  
18 commission, for the purposes of:

- 19           (1) Making green infrastructure loans;  
20           (2) Paying administrative costs of the Hawaii green  
21           infrastructure loan program;



1           (3)   Paying any other costs related to the Hawaii green  
2                infrastructure loan program; or

3           (4)   Paying financing costs, as defined in section 269-A,  
4                to the extent permitted by the public utilities  
5                commission financing order pursuant to section 269-C.

6           (c)   The authority may invest funds held in the Hawaii  
7 green infrastructure special fund in investments as permitted by  
8 law, and in accordance with approved investment guidelines  
9 established in one or more orders issued by the public utilities  
10 commission pursuant to section 269-K. All amounts in the Hawaii  
11 green infrastructure special fund shall be exempt from all taxes  
12 and surcharges imposed by the State or the counties.

13           **§196-F Use of Hawaii green infrastructure special fund;**  
14 **application.** (a) The authority shall apply to the public  
15 utilities commission for one or more orders to effectuate the  
16 Hawaii green infrastructure loan program, pursuant to section  
17 269-J.

18           Nothing herein shall preclude the department from applying  
19 for a financing order, pursuant to section 269-B, prior to the  
20 issuance of an order or orders to effectuate the Hawaii green  
21 infrastructure loan program under section 269-K, nor from



1 requesting consolidation of the proceeding for a financing order  
2 with such a loan program implementation order.

3 (b) An application shall be submitted by the authority to  
4 the public utilities commission in accordance with section 269-  
5 J.

6 (c) In accordance with an approved green infrastructure  
7 loan program order or orders, the authority shall utilize the  
8 proceeds of green infrastructure bonds and other amounts  
9 deposited in the green infrastructure special fund pursuant to  
10 196-E, or to the extent permitted by a financing order, to pay  
11 financing costs, as defined in section 269-A.

12 (d) Within the order or orders issued by the public  
13 utilities commission under section 269-K, the authority shall  
14 obtain approval from the public utilities commission requiring  
15 the electric utilities to serve as agents to bill and collect  
16 the green infrastructure charge imposed to repay green  
17 infrastructure costs and transfer all green infrastructure  
18 charges collected to the authority on behalf of the department.  
19 Notwithstanding anything to the contrary, the utility shall not  
20 be obligated to bill, collect, or remit green infrastructure  
21 charges from non-utility customers.



1           **§196-G Hawaii green infrastructure bond fund.** (a) There  
2 is established the Hawaii green infrastructure bond fund as a  
3 special fund into which all proceeds of green infrastructure  
4 fees and any other proceeds of green infrastructure property  
5 shall be paid. The green infrastructure bond fund may also  
6 receive other moneys as the department may determine and as  
7 provided in the financing order, including, without limitation,  
8 green infrastructure charges.

9           (b) Moneys in the green infrastructure bond fund shall be  
10 impressed with the lien created by, and shall be used solely for  
11 purposes set forth in, section 269-D. Upon payment or  
12 defeasance of all green infrastructure bonds and financing  
13 costs, moneys in the fund, at the direction of the department,  
14 may be transferred into the green infrastructure special fund or  
15 other purpose as the department shall specify.

16           (c) The green infrastructure bond fund shall be audited at  
17 least annually by a firm of independent certified public  
18 accountants selected by the department, and the results of this  
19 audit shall be provided to the department.

20           (d) Pursuant to section 39-68, the department shall  
21 appoint a trustee to receive, hold, and disburse all amounts  
22 required to be held in the green infrastructure bond fund upon



1 terms and conditions as set forth in a certificate, indenture,  
2 or trust agreement.

3 The Hawaii green infrastructure bond fund shall not be  
4 subject to section 37-53.

5 **§196-H Compliance with revenue bond law.** For purposes of  
6 assuring conformity of and compliance with part III of chapter  
7 39, it is determined as follows:

- 8 (1) For purposes of section 39-51, "revenues" shall  
9 include the green infrastructure fee and the proceeds  
10 of green infrastructure property; the "loan program"  
11 shall include the loan program authorized under  
12 section 196-B; and "undertaking" shall include  
13 financing of the Hawaii green infrastructure loan  
14 program through the issuance of green infrastructure  
15 revenue bonds;
- 16 (2) In addition and supplemental to any covenants  
17 recognized under section 39-60, any resolution,  
18 certificate, or indenture approved by the department  
19 may have additional or alternative covenants as may be  
20 consistent with this chapter, and the department may  
21 enter into a trust indenture, servicing agreement, or  
22 other financing documents having terms and conditions



1 consistent with the financing order issued under  
2 section 269-C;

3 (3) In addition and supplemental to the power to impose  
4 rates, rentals, fees, or charges required under  
5 section 39-61, the department shall impose, adjust,  
6 and collect the green infrastructure fee as provided  
7 in section 269-F and the financing order issued  
8 pursuant thereto; and

9 (4) In addition and supplemental to the uses specified in  
10 section 39-62, the green infrastructure fee shall be  
11 applied as provided in this chapter, the financing  
12 order, the certificate issued by the department, and  
13 any financing documents executed by the department in  
14 connection with the green infrastructure bonds.

15 **§196-I Reporting; annual report.** The authority shall  
16 submit a report to the legislature on the authority's activities  
17 in administering the green infrastructure loan program under  
18 this part, no later than twenty days prior to the convening of  
19 each regular session beginning with the regular session of 2015.  
20 The report shall include the green infrastructure loan program  
21 description and uses; summary information and analytical data  
22 concerning the green infrastructure loan program implementation;



1 summary information and analytical data concerning deployment of  
2 clean energy technology, demand response technology, and energy  
3 use reduction and demand side management infrastructure; and  
4 repayments made or credits provided to electric utility  
5 customers under this part or chapter 269, part .

6 **§196-J Severability.** If any provision of this part is  
7 held to be invalid or is superseded, replaced, repealed, or  
8 expires for any reason:

9 (1) That occurrence shall not affect any action allowed  
10 under this part that is taken prior to that occurrence  
11 by the public utilities commission, an electric  
12 utility, the department, the authority, a bondholder,  
13 or any financing party, and any such action shall  
14 remain in full force and effect; and

15 (2) The validity and enforceability of the rest of this  
16 part shall remain unaffected."

17 SECTION 3. Chapter 269, Hawaii Revised Statutes, is  
18 amended by adding a new part to be appropriately designated and  
19 to read as follows:

20 "PART . GREEN INFRASTRUCTURE BONDS

21 **§269-A Definitions.** As used in this part:





1 "Ancillary agreement" means any bond insurance policy,  
2 letter of credit, reserve account, surety bond, swap  
3 arrangement, hedging arrangement, liquidity or credit support  
4 arrangement, or other related bond document or other similar  
5 agreement or arrangement entered into in connection with the  
6 issuance of green infrastructure bonds that is designed to  
7 promote the credit quality and marketability of the bonds or to  
8 mitigate the risk of an increase in interest rates.

9 "Authority" means the Hawaii green infrastructure authority  
10 established under section 196-C.

11 "Bond" or "green infrastructure bond" means any bond, note  
12 or other evidence of indebtedness that is issued by the State,  
13 acting through the department, under a financing order, the  
14 proceeds of which are used directly or indirectly to recover,  
15 finance, or refinance financing costs of clean energy  
16 technology, demand response technology, and energy use reduction  
17 and demand side management infrastructure, programs, and  
18 services, and that are secured by or payable from green  
19 infrastructure property.

20 "Bondholder" means any holder or owner of a bond.

21 "Clean energy technology" means any commercially available  
22 technology that enables the State to meet the renewable



1 portfolio standards, as provided for under section 269-92, or  
2 the energy efficiency portfolio standards, as provided for under  
3 section 269-96, and approved by the public utilities commission  
4 by rule or order.

5 "Department" means the department of business, economic  
6 development, and tourism, or any successor by law.

7 "Electric utilities" means all electric utilities subject  
8 to billing, collecting, and remitting the public benefits fee,  
9 or the green infrastructure fee, at the time the financing order  
10 becomes final, and any other electric utility designated in the  
11 financing order.

12 "Financing costs" means any of the following:

- 13 (1) Principal and interest payable on green infrastructure  
14 bonds;
- 15 (2) Any payment required under an ancillary agreement;
- 16 (3) Any amount required to fund or replenish a reserve  
17 account or another account established under any  
18 indenture, ancillary agreement, or other financing  
19 document relating to the issuance of green  
20 infrastructure bonds;
- 21 (4) Any redemption or call premium or cost of redeeming or  
22 refunding any existing debt of the department in



- 1 connection with either the issuance of, or the use of  
2 proceeds from, green infrastructure bonds;
- 3 (5) Any costs incurred by the department to modify or  
4 amend any indenture, financing agreement, security  
5 agreement, or similar agreement or instrument securing  
6 any bond or any ancillary agreement;
- 7 (6) Any costs incurred by the department to obtain any  
8 consent, release, waiver, or approval from any  
9 bondholder or of any party to an ancillary agreement  
10 that are necessary to be incurred for the department  
11 to issue green infrastructure bonds;
- 12 (7) Any costs related to issuing or servicing green  
13 infrastructure bonds or related to obtaining a  
14 financing order, including servicing fees and  
15 expenses, trustee fees and expenses, legal,  
16 accounting, or other professional fees and expenses,  
17 administrative fees, placement fees, underwriting fees  
18 and discounts, capitalized interest and equity, and  
19 rating-agency fees; or
- 20 (8) Any other similar costs incident to the issuance,  
21 administration, or servicing of the green



1 infrastructure bonds that the department finds  
2 appropriate.

3 "Financing order" means an order issued at the request of  
4 the department by the public utilities commission under this  
5 part that has become final as provided by law, and that  
6 authorizes the issuance of green infrastructure bonds and the  
7 imposition, adjustment from time to time, and collection of  
8 green infrastructure fees.

9 "Financing party" means either of the following:

- 10 (1) Any trustee, collateral agent, or other person acting  
11 for the benefit of a bondholder; or
- 12 (2) Any party to an ancillary agreement, the rights and  
13 obligations of which relate to or depend upon the  
14 existence of green infrastructure property and green  
15 infrastructure fees, the enforcement and priority of a  
16 security interest in green infrastructure property,  
17 the timely collection and payment of green  
18 infrastructure fees, or a combination of these  
19 factors.

20 "Green infrastructure bond fund" means the special fund  
21 created pursuant to section 196-G.



1 "Green infrastructure charge" means the on-bill charges as  
2 defined in section 196-A.

3 "Green infrastructure fee" means the nonbypassable fees and  
4 charges authorized by section 269-F and in a financing order  
5 authorized under this part to be imposed on and collected from  
6 all existing and future customers of electric utilities or any  
7 successor. The green infrastructure fee may be a usage based  
8 surcharge, a flat user fee, or a charge based upon customer  
9 revenues as determined by the public utilities commission for  
10 each customer class in any financing order.

11 "Green infrastructure loan program order" means an order  
12 issued by the public utilities commission under section 269-K  
13 that establishes the use or other disposition of amounts  
14 deposited and held in the Hawaii green infrastructure special  
15 fund pursuant to section 196-E.

16 "Green infrastructure property" means the property, rights,  
17 and interests created by the public utilities commission under a  
18 financing order, including the right to impose, charge, and  
19 collect from electric utility customers the green infrastructure  
20 fee that shall be used to pay and secure the payment of green  
21 infrastructure bonds and financing costs, including the right to  
22 obtain adjustments to the green infrastructure fees, and any



1 revenues, receipts, collections, rights to payment, payments,  
2 moneys, claims, or other proceeds arising from the rights and  
3 interests created by the public utilities commission under any  
4 financing order.

5 "Green infrastructure special fund" means the special fund  
6 created pursuant to section 196-E.

7 "Successor" means, with respect to any electric utility,  
8 another electric utility, or other entity that succeeds  
9 voluntarily or by operation of law to the rights and obligations  
10 of the first electric utility, or other entity pursuant to any  
11 bankruptcy, reorganization, restructuring, or other insolvency  
12 proceedings, any merger, acquisition, or consolidation, or any  
13 sale or transfer of assets, regardless of how any of these  
14 actions occurred.

15 "Trustee" means any trustee or fiscal agent appointed under  
16 an indenture or certificate of the director executed in  
17 connection with the issuance of green infrastructure bonds  
18 pursuant to section 39-68.

19 **§269-B Applications to issue green infrastructure bonds**  
20 **and authorize green infrastructure fee.** (a) In connection with  
21 the issuance of green infrastructure bonds, the department may  
22 apply to the public utilities commission for one or more



1 financing orders, each of which financing orders authorizes the  
2 following:

3 (1) The imposition, charging, and collection on behalf of  
4 the department of the green infrastructure fee, to  
5 become effective upon the issuance of the green  
6 infrastructure bonds, and the adjustment of the green  
7 infrastructure fee on behalf of the department in  
8 accordance with an adjustment mechanism requested by  
9 the department under this part in amounts sufficient  
10 to pay the principal of and interest on green  
11 infrastructure bonds and all related financing costs  
12 on a timely basis;

13 (2) The creation of green infrastructure property under  
14 the financing order; and

15 (3) The deposit of the net proceeds of the green  
16 infrastructure bonds into the green infrastructure  
17 special fund.

18 (b) The application shall include all of the following:

19 (1) The principal amount of the green infrastructure bonds  
20 proposed to be issued;

21 (2) An estimate of the date each series of green  
22 infrastructure bonds is expected to be issued;



- 1           (3) The expected term, not to exceed thirty years, during  
2           which term the green infrastructure fee associated  
3           with the issuance of each series of green  
4           infrastructure bonds is expected to be imposed and  
5           collected;
- 6           (4) An estimate of the financing costs associated with the  
7           issuance of each series of green infrastructure bonds;
- 8           (5) An estimate of the amount of the green infrastructure  
9           fee revenues necessary to pay principal and interest  
10          on the green infrastructure bonds and related  
11          financing costs as set forth in the application and  
12          the calculation for that estimate, which calculation  
13          shall take into account the estimated date or dates of  
14          issuance and the estimated principal amount of each  
15          series of green infrastructure bonds;
- 16          (6) A proposed methodology for allocating the green  
17          infrastructure fee among electric utilities and  
18          customer classes within each electric utility;
- 19          (7) A description of a proposed formulaic adjustment  
20          mechanism for the adjustment of the green  
21          infrastructure fee to ensure the timely payment of





1 principal and interest on the green infrastructure  
2 bonds and related financing costs; and  
3 (8) Any other information required by the public utilities  
4 commission.

5 **§269-C Green infrastructure financing order.** (a) The  
6 public utilities commission shall issue its financing order as  
7 final or if a finding in subsection (b) cannot be made, its  
8 denial of a financing order, as expeditiously as possible and in  
9 any event within ninety days from the date the completed  
10 application is submitted.

11 (b) The public utilities commission may issue a financing  
12 order if the public utilities commission finds that the creation  
13 of the green infrastructure property to secure the payment of  
14 the green infrastructure bonds, including the imposition of the  
15 green infrastructure fee, will facilitate the acquisition of  
16 low-cost financing, pursuant to an application under section  
17 269-B.

18 (c) The public utilities commission shall include all of  
19 the following in a financing order:

20 (1) The maximum amount of green infrastructure bonds that  
21 the department requested to be issued under the  
22 financing order;



- 1           (2) A description of the green infrastructure property,  
2           the creation of which property is authorized by the  
3           financing order;
- 4           (3) A description of the financing costs that will be  
5           recoverable through green infrastructure fees,  
6           including any reserves or overcollateralization  
7           amounts required by the department to secure payment  
8           of the green infrastructure bonds;
- 9           (4) A description of the methodology to be applied by the  
10          public utilities commission, on behalf of the  
11          department, for calculating the green infrastructure  
12          fee, including the allocation of financing costs among  
13          electric utilities and customer classes;
- 14          (5) A description of the formulaic adjustment mechanism to  
15          be used by the public utilities commission, on behalf  
16          of the department, to adjust the green infrastructure  
17          fee in order to ensure that the amount of green  
18          infrastructure fees projected to be collected shall be  
19          sufficient to pay the principal and interest on the  
20          green infrastructure bonds, and all related financing  
21          costs on a timely basis, including the funding or



1 maintenance of any reserves required to be maintained  
2 by the department;

3 (6) The term of the green infrastructure bonds, as  
4 proposed by the department, during which term the  
5 green infrastructure fee shall continue to be  
6 collected and pledged to pay the green infrastructure  
7 bonds, which term shall automatically be extended by  
8 the term of any refunding green infrastructure bonds,  
9 as approved in a subsequent financing order, issued in  
10 such principal amounts as the department may determine  
11 to be necessary to refund the green infrastructure  
12 bonds that are the subject of the original financing  
13 order;

14 (7) A requirement that the electric utilities, including  
15 any successors, serve as agents to collect the green  
16 infrastructure fees and transfer those surcharges to  
17 the trustee or other financing party as required by  
18 the financing order and any agreements with the  
19 department;

20 (8) The procedures to be followed by the electric  
21 utilities in the event of non-payment or partial  
22 payment of the green infrastructure fees by the



1 electric utilities' customers, which procedures shall  
2 be consistent with the public utilities commission  
3 approved procedures for non-payment and partial  
4 payment of rates, charges and fees under the electric  
5 utilities' tariffs;

6 (9) The distribution of the total amounts collected by the  
7 electric utilities for amounts billed to customers for  
8 the electric utilities' rates, fees and charges, for  
9 the green infrastructure fees, for other public  
10 utilities commission approved fees, and for associated  
11 taxes, in the event of partial payments of the billed  
12 amounts;

13 (10) Terms satisfactory to the public utilities commission  
14 to ensure that the green infrastructure fee shall be  
15 nonbypassable and will be paid by all existing and  
16 future customers of an electric utility or any  
17 successor; and

18 (11) Any other provision the public utilities commission  
19 considers appropriate to ensure the full and timely  
20 imposition, charging, collection, and adjustment,  
21 pursuant to an approved adjustment mechanism, of the  
22 green infrastructure fee described in this subsection.



1           The electric utilities serving as billing and collecting  
2 agents shall be parties to the proceedings in which the order or  
3 orders are issued.

4           (d) The public utilities commission, in a financing order,  
5 may permit the department flexibility in establishing the terms  
6 and conditions for the green infrastructure bonds to accommodate  
7 changes in market conditions, including repayment schedules,  
8 interest rates, financing costs, collateral requirements,  
9 required debt service and other reserves, and the ability of the  
10 department, at its option, to effect a series of issuances of  
11 green infrastructure bonds and correlated assignments, sales,  
12 pledges, or other transfers of green infrastructure property.  
13 Any changes made under this section to terms and conditions for  
14 the green infrastructure bonds shall be in conformance with the  
15 financing order.

16           (e) At the request of the department, the public utilities  
17 commission shall determine, in accordance with the adjustment  
18 mechanism set forth in the financing order, the initial green  
19 infrastructure fee after the determination of the final terms of  
20 each series of green infrastructure bonds, so that the green  
21 infrastructure fee shall be final and effective upon issuance of  
22 the green infrastructure bonds.



1 (f) Any adjustment to the green infrastructure fee made by  
2 the public utilities commission pursuant to the adjustment  
3 mechanism approved in the financing order shall be a ministerial  
4 act of the public utilities commission.

5 **§269-D Green infrastructure property.** (a) The green  
6 infrastructure property shall be created simultaneously with the  
7 issuance of the green infrastructure bonds and shall immediately  
8 vest in the department, which shall pledge and create a lien on  
9 the property, together with all other money in the green  
10 infrastructure bond fund, solely and exclusively in favor of  
11 bondholders and financing parties, to secure the payment of  
12 green infrastructure bonds, amounts payable to financing parties  
13 and bondholders, amounts payable under any ancillary agreement,  
14 and other financing costs as provided in the financing documents  
15 executed by the department. Subject to this subsection, the  
16 lien and charge on green infrastructure property and all other  
17 moneys in the green infrastructure bond fund for the benefit of  
18 any financing party shall be governed by section 39-63.

19 (b) An electric utility shall have no ownership or  
20 beneficial interest in nor any claim or right to the green  
21 infrastructure fee, green infrastructure property, green  
22 infrastructure equipment, or green infrastructure charge other



1 than the obligation to bill and collect the green infrastructure  
2 fee and green infrastructure charge as agent for the department  
3 or any financing party and remit the collected revenue to the  
4 department or such financing party entitled to receive those  
5 surcharges in accordance with the financing order. The public  
6 utilities commission shall ensure that all reasonable costs  
7 incurred by electric utilities to implement the green  
8 infrastructure fees may be recovered as part of the electric  
9 utility's revenue requirement, including necessary billing  
10 system adjustments, costs arising out of the billing and  
11 collection of green infrastructure fees, and any costs for green  
12 infrastructure fee that are not recovered otherwise. The green  
13 infrastructure fee or green infrastructure property shall not be  
14 considered revenue of any electric utility.

15 (c) The obligation of any electric utility customer to pay  
16 the green infrastructure fee or green infrastructure charge and,  
17 notwithstanding subsection (b), the obligation of the electric  
18 utility to collect and remit the green infrastructure fee or  
19 green infrastructure charge shall not be subject to any setoff,  
20 counterclaim, surcharge, or defense by the electric utility or  
21 by any electric utility customer, or in connection with a



1 bankruptcy of any electric utility or any electric utility  
2 customer.

3       **§269-E Green infrastructure bonds financing order.** (a) A  
4 financing order shall remain in effect until the green  
5 infrastructure bonds issued under the financing order and all  
6 financing costs related to the bonds have been paid in full or  
7 defeased by their terms. A financing order shall remain in  
8 effect and unabated notwithstanding the bankruptcy,  
9 reorganization, or insolvency of any electric utility or any  
10 affiliate of the electric utility or the commencement of any  
11 judicial or nonjudicial proceeding on the financing order.

12       (b) Once a financing order has become final as provided by  
13 law, the financing order shall become irrevocable. The public  
14 utilities commission may not directly or indirectly, except as  
15 provided in the adjustment mechanism approved in the financing  
16 order, reduce, impair, postpone, rescind, alter, or terminate  
17 the green infrastructure fee authorized in the financing order  
18 or impair the green infrastructure property or the collection of  
19 the green infrastructure fee so long as any green infrastructure  
20 bonds are outstanding or any financing costs remain unpaid.

21       (c) Under a final financing order, the department shall  
22 retain sole discretion to cause green infrastructure bonds to be





1 issued, including the right to defer or postpone such issuance,  
2 assignment, sale, or transfer.

3       **§269-F Green infrastructure fee nonbypassable.** (a) The  
4 public utilities commission may create, pursuant to a financing  
5 order approved pursuant to section 269-C, a utility-wide  
6 nonbypassable surcharge, referred to as the green infrastructure  
7 fee, which shall be deposited into the green infrastructure bond  
8 fund and be pledged to secure and be applied to the repayment of  
9 green infrastructure bonds and related financing costs as  
10 described in this part.

11       (b) The green infrastructure fee may be applied to reduce  
12 the public benefits fee to be transferred pursuant to section  
13 269-121 if so provided in a financing order. Nothing in this  
14 subsection shall affect the right to impose, collect, and adjust  
15 from time to time the green infrastructure fee as provided in  
16 the financing order and this chapter.

17       (c) As long as any green infrastructure bonds are  
18 outstanding and any financing costs have not been paid in full,  
19 the green infrastructure fees authorized under any financing  
20 order shall be nonbypassable. Subject to any exceptions  
21 provided in a financing order, the green infrastructure fee



1 shall be paid by all existing and future customers of electric  
2 utilities or any successors.

3 (d) The green infrastructure fee shall be collected by the  
4 electric utilities or their successors, as collection agents for  
5 the department or the financing parties, in full through a  
6 surcharge, fee, or charge that is separate and apart from the  
7 electric utilities' rates.

8 **§269-G Electric utility successor requirements; default of**  
9 **electric utility.** (a) Any successor to an electric utility  
10 subject to a financing order shall be bound by the requirements  
11 of this part. The successor shall perform and satisfy all  
12 obligations of the electric utility under the financing order,  
13 in the same manner and to the same extent as the electric  
14 utility, including the obligation to collect and pay the green  
15 infrastructure fee to the department or to any financing party  
16 as required by a financing order.

17 (b) The public utilities commission may require, in the  
18 financing order creating the green infrastructure fee and green  
19 infrastructure property, that, if a default by the electric  
20 utility in remittance of the green infrastructure fee collected  
21 arising with respect to green infrastructure property occurs,  
22 the public utilities commission, upon the application by the



1 department, and without limiting any other remedies available to  
2 the department or any financing party by reason of the default,  
3 shall order the sequestration and payment to the beneficiaries  
4 of the green infrastructure fee collected arising with respect  
5 to the green infrastructure property. Any order shall remain in  
6 full force and effect notwithstanding any bankruptcy,  
7 reorganization, or other insolvency proceedings with respect to  
8 the electric utility.

9       **§269-H Treatment of green infrastructure bonds, fees, and**  
10 **property.** (a) In the furtherance of section 39-65, the  
11 ownership, transfer, and pledge of the green infrastructure fee  
12 and green infrastructure property and the imposition, charging,  
13 collection, and receipt of the green infrastructure fee and  
14 green infrastructure charge are exempt from all taxes and  
15 surcharges imposed by the State or the counties, including the  
16 general excise tax under chapter 237, public service company tax  
17 under chapter 239, public utility fee under section 269-30, and  
18 public utility franchise tax under chapter 240.

19       (b) Green infrastructure bonds issued under a financing  
20 order shall not be an obligation of any electric utility. The  
21 issuance of green infrastructure bonds shall not directly,



1 indirectly, or contingently obligate the electric utility for  
2 payment of the principal of or interest on the bonds.

3 **§269-I Green infrastructure property non-impairment. (a)**

4 In furtherance of section 39-61, the State pledges to and agrees  
5 with the bondholders and any financing parties under a financing  
6 order that the State will not take or permit any action that  
7 impairs the value of green infrastructure property under the  
8 financing order, or reduce, alter, or impair green  
9 infrastructure fees that are imposed, charged, collected, or  
10 remitted for the benefit of the bondholders and any financing  
11 parties, until any principal, interest, and redemption premium  
12 in respect of green infrastructure bonds, all financing costs,  
13 and all amounts to be paid to a financing party under an  
14 ancillary agreement are paid or performed in full or unless  
15 adequate provision has been made by law for the protection of  
16 bondholders and other financing parties.

17 (b) The department in issuing the green infrastructure  
18 bonds is permitted to include the pledge specified in subsection  
19 (a) of this section in the green infrastructure bonds, ancillary  
20 agreements, and documentation related to the issuance and  
21 marketing of the green infrastructure bonds.



1           §269-J Green infrastructure loan program order;  
2 application. (a) The authority shall submit an application to  
3 the public utilities commission for the use or other disposition  
4 of amounts deposited or held in the Hawaii green infrastructure  
5 special fund pursuant to section 196-E prior to the allocation,  
6 use, expenditure, or other disposition of any such amounts;  
7 provided that this subsection shall not apply to the expenditure  
8 of amounts deposited or held in the Hawaii green infrastructure  
9 special fund that have been reviewed and approved by the public  
10 utilities commission for operational or administrative expenses  
11 of the authority under section 196-D.

12           (b) An application submitted by the authority to the  
13 public utilities commission under this section shall include the  
14 following:

15           (1) A description of each project, program, financing  
16 agreement, or other arrangement for which the  
17 authority seeks to allocate, use, expend, or otherwise  
18 dispose of amounts deposited or held in the Hawaii  
19 green infrastructure special fund, including:

20           (A) The clean energy technology, demand response  
21 technology, and energy use reduction and demand



1 side management infrastructure, programs, and  
2 services to be financed;

3 (B) A description of the parties, both direct and  
4 incidental, intended to benefit from any  
5 financing made in connection with the Hawaii  
6 green infrastructure special fund amounts  
7 requested by the authority in an application  
8 submitted to the public utilities commission  
9 under this section;

10 (C) A description of the loan programs or other  
11 arrangements designed, established, identified,  
12 agreed to, agreed to in principle, continued,  
13 carried over, or otherwise intended to be  
14 effectuated for the use of the Hawaii green  
15 infrastructure special fund amounts requested by  
16 the authority in an application submitted to the  
17 public utilities commission under this section;  
18 and

19 (D) Any and all funding or credit sources identified,  
20 pledged, dedicated, or otherwise provided to  
21 supplement the Hawaii green infrastructure  
22 special fund amounts requested by the authority



- 1                   in an application submitted to the public  
2                   utilities commission under this section;
- 3       (2) Minimum lending, crediting, or investing criteria in  
4           relation to each project, program, financing  
5           agreement, or other arrangement described in an  
6           application submitted to the public utilities  
7           commission under this section;
- 8       (3) A description of the repayment processes, mechanisms,  
9           and applicable calculations for each project, program,  
10          financing agreement, or other arrangement described in  
11          an application submitted to the public utilities  
12          commission under this section;
- 13       (4) An explanation of the anticipated impacts and benefits  
14          to electric utility ratepayers of any project,  
15          program, financing agreement, or other arrangement  
16          described under an application submitted by the  
17          authority to the public utilities commission under  
18          this section; and
- 19       (5) Any other additional information determined to be  
20          necessary by the public utilities commission upon the  
21          review of an application submitted or resubmitted by  
22          the authority under this section.



1           **§269-K Green infrastructure loan program order; issuance.**

2       (a) The public utilities commission may issue a program order  
3 authorizing the allocation, use, expenditure, or other  
4 disposition of any amounts deposited or held in the Hawaii green  
5 infrastructure special fund upon the submission by the authority  
6 to the commission of a completed application, as described in  
7 this section. A green infrastructure loan program order issued  
8 by the public utilities commission shall include the following,  
9 where determined necessary and applicable by the commission:

10           (1) An identification and description of each project,  
11               program, financing agreement, or other arrangement  
12               approved by the public utilities commission for which  
13               amounts deposited or held in the Hawaii green  
14               infrastructure special fund may be allocated, used,  
15               expended, or otherwise disposed of;

16           (2) Minimum criteria for the lending, crediting, or  
17               investing of amounts deposited or held in the Hawaii  
18               green infrastructure special fund;

19           (3) A description of the repayment processes, mechanisms,  
20               and applicable calculations for each project, program,  
21               financing agreement, or other arrangement approved by  
22               the public utilities commission for which amounts





1 deposited or held in the Hawaii green infrastructure  
2 special fund may be allocated, used, expended, or  
3 otherwise disposed of;

4 (4) A review of the anticipated impacts and benefits to  
5 electric utility ratepayers of any project, program,  
6 financing agreement, or other arrangement approved  
7 under a green infrastructure loan program order; and

8 (5) Any other provision or information determined to be  
9 necessary by the public utilities commission.

10 (b) The public utilities commission shall issue an order  
11 under this section as expeditiously as possible upon the receipt  
12 from the authority of a completed application submitted pursuant  
13 to section 269-J.

14 (c) The order shall specify the following, including:

15 (1) The procedures to be followed by the electric  
16 utilities in the event of non-payment or partial  
17 payment of the green infrastructure charge by the  
18 electric utilities' customers, which procedures shall  
19 be consistent with the public utilities commission  
20 approved procedures for non-payment and partial  
21 payment of rates, charges and fees under the electric  
22 utilities' tariffs; and



1           (2) The distribution of the total amounts collected by the  
2           electric utilities for amounts billed to customers for  
3           the electric utilities' rates, fees, and charges, for  
4           the green infrastructure charge, for other public  
5           utilities commission approved fees and charges, and  
6           for associated taxes, in the event of partial payments  
7           of the billed amounts.

8           The electric utilities serving as billing and collecting  
9           agents shall be parties to the proceedings in which the order or  
10          orders are issued.

11          **§269-L Electric utilities; cost recovery; billing agent.**

12          (a) The commission shall ensure that all reasonable costs  
13          incurred by electric utilities to start up and implement the  
14          green infrastructure loan program may be recovered as part of  
15          the electric utility's revenue requirement, including necessary  
16          billing system adjustments, costs arising out of the billing and  
17          collection of green infrastructure charges, and any costs for  
18          green infrastructure charges that are not recovered via  
19          participating customers, green infrastructure bill payments, or  
20          otherwise.

21          (b) The green infrastructure charge shall not be  
22          considered revenue of the electric utilities and accordingly,



1 shall not be subject to state or county taxes, including the  
2 general excise tax under chapter 237, the public service company  
3 tax under chapter 239, the public utility fee under section 269-  
4 30, and the public utility franchise tax under chapter 240.

5 (c) The green infrastructure loan program or the act of  
6 serving as an agent to bill and to collect the green  
7 infrastructure charge shall not expose any electric utility to  
8 financial institution, escrow depository, or collection agency  
9 laws. An electric utility shall not be responsible for lending,  
10 underwriting, and credit determinations.

11 **§269-M Severability.** If any provision of this part is  
12 held to be invalid or is superseded, replaced, repealed, or  
13 expires for any reason:

14 (1) That occurrence shall not affect any action allowed  
15 under this part that is taken prior to that occurrence  
16 by the public utilities commission, an electric  
17 utility, the department, the authority, a bondholder,  
18 or any financing party, and any such action shall  
19 remain in full force and effect; and

20 (2) The validity and enforceability of the rest of this  
21 part shall remain unaffected.



1           **§269-N Miscellaneous.** Neither the department nor a  
2 financing party shall be considered an electric utility or  
3 person providing electric service by virtue of engaging in the  
4 transactions described in this part.

5           **§269-O Revenue bonds; exclusion from debt limit.** Green  
6 infrastructure bonds are revenue bonds issued under article VII,  
7 section 12 of the state constitution, and chapter 39, part III,  
8 as modified by this part, and the department shall ensure that  
9 any bonds issued under this part are excluded from the  
10 calculation of the State's debt limit pursuant to article VII,  
11 section 13 of the state constitution.

12           **§269-P Financing order; adjustments to green**  
13 **infrastructure fees.** The financing order shall include, without  
14 limitation, a procedure to require the public utilities  
15 commission, in accordance with a formula set out in the  
16 financing order and approved by the department, to expeditiously  
17 review and approve periodic adjustments to green infrastructure  
18 fees to ensure the payment of the green infrastructure bonds and  
19 related financing costs on a timely basis."

20           SECTION 4. Section 269-5, Hawaii Revised Statutes, is  
21 amended to read as follows:



1           "§269-5 Annual report and register of orders. The public  
2 utilities commission shall prepare and present to the governor,  
3 through the director of finance, in the month of January in each  
4 year a report respecting its actions during the preceding fiscal  
5 year. This report shall include summary information and  
6 analytical, comparative, and trend data concerning major  
7 regulatory issues acted upon and pending before the commission;  
8 cases processed by the commission, including their dispositions;  
9 utility company operations, capital improvements, and rates;  
10 utility company performance in terms of efficiency and quality  
11 of services rendered; financing orders issued, adjustments made  
12 to the public benefits fee, and repayments or credits provided  
13 to electric utility customers pursuant to part       or chapter  
14 196, part    ; environmental matters having a significant impact  
15 upon public utilities; actions of the federal government  
16 affecting the regulation of public utilities in Hawaii; long and  
17 short-range plans and objectives of the commission; together  
18 with the commission's recommendations respecting legislation and  
19 other matters requiring executive and legislative consideration.  
20 Copies of the annual reports shall be furnished by the governor  
21 to the legislature. In addition, the commission shall establish  
22 and maintain a register of all its orders and decisions, which



1 shall be open and readily available for public inspection, and  
2 no order or decision of the commission shall take effect until  
3 it is filed and recorded in this register."

4 SECTION 5. Section 269-121, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "§269-121 **Public benefits fee authorization**~~[~~-~~]~~; green  
7 infrastructure fee. (a) The public utilities commission, by  
8 order or rule, may require that all or a portion of the moneys  
9 collected by Hawaii's electric utilities from its ratepayers  
10 through a demand-side management surcharge be transferred to a  
11 third-party administrator contracted by the public utilities  
12 commission. The moneys transferred shall be known as the public  
13 benefits fee.

14 (b) The public benefits fee shall be used to support  
15 ~~[energy efficiency]~~ clean energy technology, demand response  
16 technology, and energy use reduction and demand-side management  
17 infrastructure, programs, and services, subject to the review  
18 and approval of the public utilities commission. These moneys  
19 shall not be available to meet any current or past general  
20 obligations of the State; provided that the State may  
21 participate in any ~~[energy efficiency or]~~ clean energy  
22 technology, demand response technology, or energy use reduction



1 and demand-side management infrastructure, programs, and  
2 services on the same basis as any other electric consumer.

3 (c) Nothing in this section shall create or be construed  
4 to cause the public benefits fee to be considered state or  
5 public moneys subject to appropriation by the legislature or be  
6 required to be deposited into the state treasury."

7 SECTION 6. (a) The legislature finds and declares that  
8 the issuance of revenue bonds under this Act is in the public  
9 interest and for the public health, safety, and general welfare.

10 (b) The department of business, economic development, and  
11 tourism is authorized to issue revenue bonds pursuant to part  
12 III of chapter 39, Hawaii Revised Statutes, as amended and  
13 supplemented by this part, in a principal amount not to exceed  
14 \$ to establish and administer the Hawaii green  
15 infrastructure loan program pursuant to section 196-B, Hawaii  
16 Revised Statutes.

17 (c) The department of business, economic development, and  
18 tourism is authorized to issue from time to time refunding green  
19 infrastructure bonds in such principal amounts as the department  
20 shall determine to be necessary to refund the green  
21 infrastructure bonds authorized under this Act, to the extent  
22 permitted by the financing documents.



1 (d) To the extent there is any conflict between this Act  
2 and part III of chapter 39, Hawaii Revised Statutes, this Act  
3 shall prevail.

4 SECTION 7. There is appropriated out of the general  
5 revenues of the State of Hawaii the sum of \$ or so  
6 much thereof as may be necessary for fiscal year 2013-2014 and  
7 the same sum or so much thereof as may be necessary for fiscal  
8 year 2014-2015 for deposit into the Hawaii green infrastructure  
9 special fund established pursuant to section 196-E, Hawaii  
10 Revised Statutes.

11 SECTION 8. There is appropriated out of the Hawaii green  
12 infrastructure special fund established pursuant to section 196-  
13 E, Hawaii Revised Statutes, the sum of \$ or so much  
14 thereof as may be necessary for fiscal year 2013-2014 and the  
15 same sum or so much thereof as may be necessary for fiscal year  
16 2014-2015 for the issuance of Hawaii green infrastructure loans.

17 The sums appropriated shall be expended by the department  
18 of business, economic development, and tourism for the purposes  
19 of this Act.

20 SECTION 9. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$ or so  
22 much thereof as may be necessary for fiscal year 2013-2014 and





1 the same sum or so much thereof as may be necessary for fiscal  
2 year 2014-2015 for deposit into the Hawaii green infrastructure  
3 bond fund established pursuant to section 296-J, Hawaii Revised  
4 Statutes.

5 SECTION 10. There is appropriated out of the Hawaii green  
6 infrastructure bond fund established pursuant to section 269-J,  
7 Hawaii Revised Statutes, the sum of \$ or so much  
8 thereof as may be necessary for fiscal year 2013-2014 and the  
9 same sum or so much thereof as may be necessary for fiscal year  
10 2014-2015 for the issuance of Hawaii green infrastructure bonds.

11 The sums appropriated shall be expended by the department  
12 of business, economic development, and tourism for the purposes  
13 of this Act.

14 SECTION 11. The department of business, economic  
15 development, and tourism, with the assistance of the Hawaii  
16 green infrastructure authority, shall submit a report on the  
17 status of the Hawaii green infrastructure authority's  
18 activities, including approved loan program description and  
19 uses; summary information and analytical data concerning loan  
20 program implementation; summary information and analytical data  
21 concerning the deployment of clean energy technology, demand  
22 response technology, and energy use reduction and demand side



1 management infrastructure; and repayments made or credits  
2 provided to electric utility customers under section 196-E and  
3 part of chapter 269, Hawaii Revised Statutes, no later than  
4 twenty days prior to the convening of the regular session of  
5 2014.

6 SECTION 12. In codifying the new part added to chapter  
7 196, Hawaii Revised Statutes, by section 2 of this Act and the  
8 new part added to chapter 269, Hawaii Revised Statutes, by  
9 section 3 of this Act, the revisor of statutes shall substitute  
10 appropriate section numbers for the letters used in designating  
11 and referring to the new sections in this Act.

12 SECTION 13. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 14. This Act shall take effect on July 1, 2050;  
15 provided that sections 7, 8, 9, and 10 shall take effect on  
16 July 1, 2013.



**Report Title:**

Green Infrastructure Loan Program; Public Benefits Fee;  
Appropriation

**Description:**

Establishes a regulatory financing structure that authorizes the PUC and DBEDT to provide low-cost loans for green infrastructure equipment to achieve measurable cost savings and Hawaii's clean energy goals. Requires a report to the legislature. Appropriates funds. Effective 7/1/2050. (SD2)

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