

JAN 24 2013

A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. Section 269-101.5, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~f~~]**\$269-101.5**[~~]~~ **Maximum capacity of eligible customer-**
4 **generator.** The eligible customer-generator shall have a
5 capacity of not more than [~~fifty~~] _____ kilowatts; provided
6 that the public utilities commission may increase the maximum
7 allowable capacity that eligible customer-generators may have to
8 an amount greater than [~~fifty~~] _____ kilowatts by rule or
9 order."

10 SECTION 2. Section 269-102, Hawaii Revised Statutes, is
11 amended by amending its title and subsection (a) to read as
12 follows:

13 "**\$269-102 Standard contract or tariff; competitive bidding**
14 **process; rate structure.** (a) Every electric utility shall
15 develop a standard contract or tariff providing for net energy
16 metering and shall make this contract available to eligible
17 customer-generators, upon request, [~~on a first come first served~~
18 ~~basis~~] until the time that the total rated generating capacity



1 produced by eligible customer-generators equals [-5] _____
2 per cent of the electric utility's system peak demand; provided
3 that the public utilities commission [~~may~~]:

4 (1) May modify, by rule or order, the total rated
5 generating capacity produced by eligible customer-
6 generators[~~; provided further that the public~~
7 ~~utilities commission shall~~];

8 (2) Shall ensure that a percentage of the total rated
9 generating capacity produced by eligible customer-
10 generators shall be reserved for electricity produced
11 by eligible residential or small commercial customer-
12 generators[~~. The public utilities commission may~~];

13 (3) May define, by rule or order, the maximum capacity for
14 eligible residential or small commercial customer-
15 generators[~~-~~]; and

16 (4) Effective _____, 2014, shall require for
17 eligible customer-generators with a capacity of more
18 than _____ kilowatts, that contracts be awarded,
19 pursuant to a competitive sealed bidding process
20 established by the public utilities commission by rule
21 or order, to the lowest responsible and responsive



1 bidder whose bid meets the requirements and criteria
2 set forth in the invitation for bids.

3 Notwithstanding the generating capacity requirements of
4 this subsection, the public utilities commission may evaluate,
5 on an island-by-island basis, the applicability of the
6 generating capacity requirements of this subsection and, in its
7 discretion, may exempt an island or a utility grid system from
8 the generating capacity requirements."

9 SECTION 3. Section 269-104, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "**§269-104 Additional customer-generators.** Notwithstanding
12 section 269-102, an electric utility is not obligated to provide
13 net energy metering to additional customer-generators in its
14 service area when the combined total peak generating capacity of
15 all eligible customer-generators served by all the electric
16 utilities in that service area furnishing net energy metering to
17 eligible customer-generators equals [-5] _____ per cent of the
18 system peak demand of those electric utilities; provided that
19 the public utilities commission may increase, by rule or order,
20 the allowable percentage of the electric utility's system peak
21 demand produced from eligible customer-generators in the
22 electric utility's service area, whereupon the electric utility



1 will be obligated to provide net energy metering to additional
2 eligible customer-generators in that service area up to the
3 increased percentage amount."

4 SECTION 4. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.

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S.B. NO. 1291

Report Title:

Public Utilities; Net Energy Metering

Description:

Amends net energy metering program by: (1) requiring large-capacity eligible customer generators to be selected by competitive sealed bidding; and (2) amending maximum allowable capacity of eligible customer-generators and total rated generating capacity.

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