

JAN 24 2013

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# A BILL FOR AN ACT

RELATING TO FEED-IN TARIFFS.

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

1           SECTION 1. The legislature finds that feed-in tariffs can  
2 be a powerful catalyst for private and public-private  
3 development of alternative energy projects in fulfillment of the  
4 State's renewable energy goals. Feed-in tariffs can bring  
5 financial viability to projects that otherwise could not  
6 participate in competitive procurement solicitations for  
7 interconnection with utility systems. The expanded  
8 opportunities allow diversification of participants in the  
9 industry, job growth, and economic growth. Feed-in tariffs  
10 provide a "one size fits all" approach to resource development  
11 that allows generating units of a certain size and with certain  
12 technical characteristics to interconnect quickly and  
13 efficiently. These do so by offering clear and set pricing  
14 terms, standardized interconnection requirements, and avoidance  
15 of the costs that generation owners might otherwise incur in  
16 feasibility studies or participation in a competitive  
17 solicitation process. Such an approach makes sense for projects  
18 that are too small to meaningfully participate in utility



1 competitive solicitations for renewable energy. Hawaii's  
2 electric utilities would benefit from an appropriately designed  
3 feed-in tariff by enjoying an accelerated pace of deployment of  
4 renewable generation on their systems.

5 SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
6 amended by adding a new section to part V to be appropriately  
7 designated and to read as follows:

8 "§269-97 Feed-in tariff. (a) Before December 31, 2013, the  
9 public utilities commission shall implement a feed-in tariff  
10 program that provides a standard offer contract for electric  
11 utilities to purchase energy from renewable energy generators.

12 (b) In developing a feed-in tariff program, the public  
13 utilities commission shall consider:

14 (1) A program size that is commensurate with Hawaii's  
15 renewable portfolio standards;

16 (2) Renewable projects up to 20 megawatts in size;

17 (3) Project pricing that provides meaningful incentive  
18 to project developers while protecting ratepayers from  
19 undue costs;

20 (4) A fair and transparent project queue that ensures  
21 projects are developed in a timely manner; and



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1           (5) Other issues the public utilities commission deems  
2           appropriate.

3           (c) The Public Utilities Commission shall report to the  
4           Legislature by January 15, 2014, on the resolution of existing  
5           complaints on the queue issue and changes to policy to  
6           ameliorate the situation."

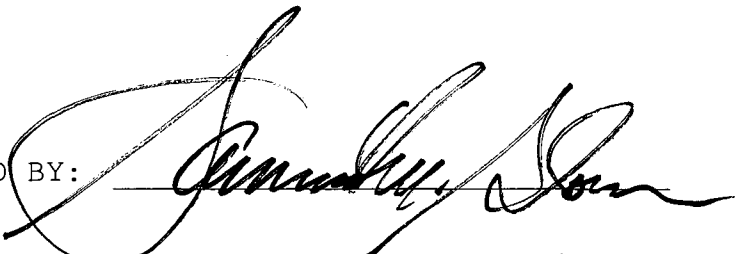


7           SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY:

  
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# S.B. NO. 1314

**Report Title:**

Feed-in Tariffs.

**Description:**

Requires Public Utilities Commission to implement a feed-in tariff program to protect consumers and developers of renewable energy generation projects, and facilitate progress toward self-sustainability goals.

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

