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## A BILL FOR AN ACT

RELATING TO PUBLIC UTILITIES.

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

1           SECTION 1. The legislature finds that preferential rates  
2 for the purchase of energy for agricultural activities and  
3 incentives to agricultural customers to acquire storage  
4 technology will help support the long-term viability of  
5 agricultural activities.

6           The purpose of this Act is to establish preferential rates  
7 for the purchase of energy for agricultural activities and  
8 provide incentives for agricultural customers to acquire energy  
9 storage technology to support the viability of agricultural  
10 activities in the State.

11           SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
12 amended by adding a new section to part I to be appropriately  
13 designated and to read as follows:

14           "§269-       Preferential energy rates; agricultural  
15 activities. (a) The commission shall establish, by rule  
16 pursuant to chapter 91, preferential rates for the purchase of  
17 energy that is used or consumed for agricultural activities.



1        (b) Upon receipt of a bona fide request for preferential  
2 rates for energy to be used or consumed for agricultural  
3 activities and proof that the energy will be used or consumed  
4 for agricultural activities, a public utility shall present a  
5 request for preferential rates to the public utilities  
6 commission for approval. In reviewing the proposal for  
7 preferential rates, the commission in consultation with the  
8 department of agriculture may establish additional criteria for  
9 energy used or consumed for agricultural activities."

10        SECTION 3. Chapter 269, Hawaii Revised Statutes, is  
11 amended by adding a new section to part I to be appropriately  
12 designated and to read as follows:

13        "§269-        Agricultural energy storage incentive program.

14        (a) The public utilities commission shall require each electric  
15 utility and gas utility to develop an incentive program no later  
16 than January 1, 2017, within the electric or gas utility's  
17 demand-side management programs authorized by the commission, to  
18 provide incentives to an agricultural customer to acquire energy  
19 storage technology for use at the agricultural customer's sites.



1        (b) Eligibility for incentives under the program shall be  
2 limited to energy storage technologies that the public utilities  
3 commission determines meet all of the following requirements:

4        (1) The energy storage technology is capable of reducing  
5 demand from the grid by offsetting some or all of the  
6 customer's onsite energy load, including but not  
7 limited to peak electric demand;

8        (2) The energy storage technology is commercially  
9 available;

10       (3) The energy storage technology safely utilizes the  
11 existing transmission and distribution system; and

12       (4) The energy storage technology improves air quality by  
13 reducing air pollutants."

14       SECTION 4. New statutory material is underscored.

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

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INTRODUCED BY:

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H.B. NO. 1995

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# H.B. NO. 1995

**Report Title:**

Public Utilities Commission; Preferential Energy Rates;  
Agricultural Activities; Incentives; Energy Storage Technology

**Description:**

Requires the PUC to establish preferential rates for the purchase of energy that is used or consumed for agricultural activities. Requires the PUC to require electric and gas utilities to develop energy storage technology incentive programs to provide incentives to agricultural customers to acquire energy storage technology for use at the agricultural customers' sites.

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

