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## A BILL FOR AN ACT

RELATING TO ENERGY.

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

1           SECTION 1. The legislature finds that all Hawaii residents  
2 should be able to participate in and enjoy the economic,  
3 environmental, and societal benefits of renewable energy.  
4 Spurred by the Hawaii clean energy initiative and increasingly  
5 affordable clean energy options, such as solar photovoltaic  
6 systems, localized renewable energy generation technology has  
7 become increasingly attainable.

8           While residential solar energy use has grown dramatically  
9 across the State in recent years, many residents and businesses  
10 are currently unable to directly participate in renewable energy  
11 because of their location, building type, access to the electric  
12 utility grid, or other impediments. The community-based  
13 renewable energy program seeks to rectify this inequity by  
14 dramatically expanding the market for eligible renewable energy  
15 resources to include residential and business renters, occupants  
16 of residential and commercial buildings with shaded or



1 improperly oriented roofs, and other groups who are unable to  
2 access the benefits of onsite clean energy generation.

3 The legislature finds that it is in the public interest to  
4 promote broader participation in self-generation by Hawaii  
5 residents and businesses through the development of community  
6 renewable energy facilities in which participants are entitled  
7 to generate electricity and receive credit for that electricity  
8 on their utility bills.

9 Community-based renewable energy creates new construction  
10 jobs, stimulates the economy, reduces emissions of greenhouse  
11 gases, promotes energy independence, and assists in meeting the  
12 State's clean energy goals. Further, community-based renewable  
13 energy enables residents and businesses to save money on their  
14 electricity bills, thereby providing additional funds for other  
15 purchasing, investment, or other economic activity.

16 While the concept of "wheeling" electricity over utility  
17 infrastructure has been the subject of discussion for years, the  
18 community-based renewable energy program contemplated in this  
19 Act should not be construed as "wheeling" because the tariff or  
20 tariffs established by the commission will address the utility



1 costs related to transmission and distribution infrastructure  
2 and grid operations.

3 The purpose of this Act is to establish the Hawaii  
4 community-based renewable energy program to make the benefits of  
5 renewable energy more accessible to a greater number of Hawaii  
6 residents.

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

10 "§269- Community-based renewable energy tariffs. (a)  
11 Upon application by an electric utility or another party, or  
12 upon its own motion, the commission shall establish a community-  
13 based renewable energy tariff or tariffs. A community-based  
14 renewable energy tariff or tariffs shall take effect no later  
15 than January 1, 2016.

16 (b) Any person or entity may propose, own, or operate a  
17 community-based renewable energy project or projects; provided  
18 that a project or projects equal to or less than one megawatt in  
19 size shall be subject to the interconnection processes approved  
20 by the commission and a project or projects greater than one



1 megawatt in size shall be subject to the commission's review and  
2 approval.

3 (c) An electric utility may develop and implement its own  
4 community-based renewable energy project or projects; provided  
5 that the project or projects shall be subject to the  
6 commission's review and approval.

7 (d) The community-based renewable energy tariff and  
8 related interconnection processes shall, to the extent possible,  
9 be standardized.

10 (e) For purposes of this section, "community-based  
11 renewable energy tariff" means a tariff approved by the  
12 commission that:

13 (1) Allows all electric utility customers, irrespective of  
14 rate class, to obtain an interest in a portion or  
15 portions of an eligible renewable energy project that  
16 is providing electricity to the electric utility; and

17 (2) Allows the electric utility to implement a billing  
18 arrangement to compensate those customers for the  
19 electricity provided to the electric utility.

20 (f) Nothing in this section shall be construed to permit  
21 wheeling."



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1 SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY: Wade E. Lowen

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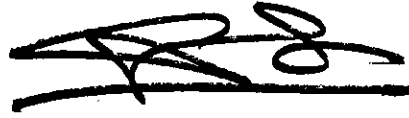
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JAN 23 2015



# H.B. NO. 484

**Report Title:**

Renewable Energy; Tariffs

**Description:**

Requires PUC to establish community-based renewable energy tariff or tariffs to take effect by 1/1/16. Defines community-based renewable energy tariffs. Provides that projects up to one megawatt are subject to PUC-approved interconnection processes and projects greater than one megawatt are subject to PUC review and approval.

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

