

Honolulu, Hawaii  
February 18, 2016

RE: H.B. No. 1730  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1730 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY TARIFFS,"

begs leave to report as follows:

The purpose of this measure is to ensure fair compensation to electrical customers and create an incentive for more investment in storage for distributed energy, thereby moving Hawaii closer to achieving its clean energy goals, by requiring electric utilities that use a time-of-use feature in their rate structure to include a credit to the eligible customer-generator for any net electricity produced during peak hours of usage.

The Alliance for Solar Choice, Hawaii Solar Energy Association, Blue Planet Foundation, Sierra Club of Hawaii, and a concerned individual supported this measure. Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and a concerned individual opposed the measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs submitted comments.

Your Committee has amended this measure by:

- (1) Clarifying that the Public Utilities Commission shall make the determination regarding electric utilities' use of a time-of-use feature in their rate structure and the credit to be given to eligible customer-generators for



any net electricity produced during peak hours of usage;  
and

- (2) Expressly requiring the Public Utilities Commission to effectuate the intent of this provision.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1730, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1730, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



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CHRIS LEE, Chair



