
A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

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

1 SECTION 1. The legislature finds that major energy
2 projects provide benefits to all ratepayers on an electric grid.
3 Communities serving as hosts for major energy projects receive
4 the same benefits as ratepayers in other areas, yet must live
5 with the negative impacts of those projects, while ratepayers in
6 other areas do not. Therefore, the legislature finds that it is
7 fair and in the public interest to ensure meaningful benefit to
8 communities that serve as hosts to major energy projects above
9 and beyond benefits accrued by the overall electric grid.

10 The purpose of this Act is to empower and encourage the
11 public utilities commission to ensure benefit for communities
12 hosting major energy projects.

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

16 "§269- Preferential electricity rates for communities
17 hosting energy projects; community benefits. The public



1 utilities commission may authorize preferential electricity
2 rates for ratepayers residing in communities that serve as
3 geographic hosts for energy projects. The application process
4 for obtaining preferential electricity rates may be established
5 by the public utilities commission. When determining a
6 preferential electricity rate, the commission shall not allow
7 the preferential electricity rate to absolve an energy project
8 developer from providing a meaningful community benefit when
9 found to be appropriate by the commission; provided that the
10 energy project developer shall be required to provide evidence
11 that the developer and the geographic host community have
12 collaboratively developed a community benefits program and that
13 the developer is funding a majority, if not all, of the
14 contributions and support for the community benefits program."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on July 1, 2112.



Report Title:

Public Utilities Commission; Preferential Rates; Energy Projects

Description:

Authorizes the Public Utilities Commission to establish preferential electricity rates for communities that serve as geographic hosts for energy projects. Requires an energy project developer to work collaboratively with a host community to develop a community benefits program and to fund a majority, if not all, of the contributions and support for the community benefits program. (HB1567 HD2)

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