

---

---

# A BILL FOR AN ACT

RELATING TO PREFERENTIAL ELECTRICITY RATES FOR PROTECTED  
AGRICULTURE.

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

1           SECTION 1. The legislature finds that it is the policy of  
2 the State to promote the increased production of fruits and  
3 vegetables for local consumption. The legislature also finds  
4 that protected agriculture, a term that encompasses a variety of  
5 crop production technologies and techniques that use partial or  
6 full control of a plant's micro-climate to target the particular  
7 requirements of the species, helps overcome local pests and  
8 weather pressures that negatively impact agriculture in the  
9 State. When properly managed, protected agriculture allows for  
10 more efficient use of water and fertilizer while also reducing  
11 the need for pesticides and herbicides.

12           The legislature further finds that protected agriculture  
13 aligns with the federal Food and Drug Administration's Food  
14 Safety Modernization Act, P.L. 111-353, by producing fruits and  
15 vegetables in a safe and optimum environment. However, without  
16 a preferential rate for electricity, protected agriculture



1 cannot economically produce the quantities of fruits and  
2 vegetables needed to advance Hawaii's sustainability  
3 initiatives.

4 The purpose of this Act is to authorize the public  
5 utilities commission to establish preferential electricity rates  
6 for agricultural activities that utilize protected agriculture  
7 to produce fruits or vegetables for distribution.

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

11 "§269- Preferential electricity rates; protected  
12 agriculture. (a) The public utilities commission may establish  
13 preferential electricity rates for agricultural activities that  
14 utilize protected agriculture to produce fruits or vegetables  
15 for distribution; provided that the protected agriculture  
16 includes reasonable efforts to incorporate cost-effective  
17 renewable energy sources and energy efficiency measures.

18 (b) In considering preferential rates, the public  
19 utilities commission shall ensure that any subsidization being  
20 paid by other customers is limited and reasonable and shall  
21 periodically review and adjust the rate, if necessary.



1        (c) A public utility shall provide a request for  
2 preferential electricity rates to the public utilities  
3 commission for approval upon receipt of:

4        (1) A bona fide request for preferential electricity rates  
5 for agricultural activities that utilize protected  
6 agriculture to produce fruits or vegetables for  
7 distribution; and

8        (2) Proof that the fruits or vegetables cited in the  
9 request are produced in a manner consistent with this  
10 section.

11        (d) For purposes of this section, "protected agriculture"  
12 means any crop production technologies or techniques that  
13 partially or fully control a plant's micro-climate to target the  
14 particular requirements of the species; provided that the term  
15 shall not include agricultural activities that produce medical  
16 cannabis."

17        SECTION 3. This Act does not affect rights and duties that  
18 matured, penalties that were incurred, and proceedings that were  
19 begun before its effective date.

20        SECTION 4. New statutory material is underscored.

21        SECTION 5. This Act shall take effect on July 1, 2019.



**Report Title:**

Public Utilities Commission; Preferential Electricity Rates;  
Protected Agriculture

**Description:**

Authorizes the Public Utilities Commission to establish preferential electricity rates for agricultural activities that utilize protected agriculture to produce fruits or vegetables for distribution. (HB452 CD1)

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

