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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 Hawaii ranks third  
2 in the United States for solar power generation per capita.  
3 Solar power will be key to achieving the State's goal of  
4 generating one hundred per cent of the State's electricity from  
5 renewable energy sources by 2045. Many Hawaii residents and  
6 businesses install solar panels each year, in part due to public  
7 utilities commission policies. In addition to exporting  
8 electricity generated by customers to the electricity grid,  
9 Hawaii can maximize the benefits of renewable energy resources  
10 by finding ways to efficiently utilize excess energy generation.

11           The legislature also finds that energy storage is one  
12 solution to the problem of excess electricity generation during  
13 daylight hours. However, energy storage is often expensive and  
14 limited in capacity. A second solution is for the electric  
15 utilities to sell excess electricity to consumers for purposes  
16 such as hydrogen production or protected agriculture, at a rate  
17 that encourages efficient utilization of available renewable



1 energy resources. The sale of excess electricity from the grid  
2 to consumers is known as "smart imports."

3 The legislature further finds that smart imports can reduce  
4 electricity rates and effectively utilize energy resources  
5 during periods of excess electricity generation. This can help  
6 more Hawaii residents and businesses transition to using  
7 electric vehicles through low cost charging. Smart imports can  
8 significantly boost the solar, battery storage, and electric  
9 vehicle industries.

10 The purpose of this Act is to:

11 (1) Require electric utilities to offer smart imports to  
12 consumers; and

13 (2) Require the public utilities commission to study  
14 mechanisms that will enable the sale of excess energy  
15 generation from utility scale projects.

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

19 "§269- Smart imports; excess electricity. (a)

20 Beginning January 1, 2022, electric utilities shall offer smart



1 imports to consumers at a just and reasonable rate that is  
2 approved by the public utilities commission.

3 (b) For the purposes of this section, "smart imports"  
4 means the sale of excess electricity from electric utilities to  
5 consumers."

6 SECTION 3. (a) The public utilities commission shall  
7 direct the State's electric utilities to study other states'  
8 smart imports programs, solar and energy storage solutions, and  
9 related solutions to excess electricity generation and propose a  
10 "smart imports" program in Hawaii to be implemented no later  
11 than January 1, 2022. The study shall include but not be  
12 limited to specific mechanisms to enable excess generation from  
13 utility scale renewable energy projects to be offered for sale  
14 to avoid curtailing or otherwise not utilizing the available  
15 generation. In addition, the study shall propose, among other  
16 recommendations, how energy intensive commercial and industrial  
17 customers can utilize smart imports to reduce costs and benefit  
18 the grid.

19 (b) The public utilities commission shall submit a report  
20 of the findings and recommendations, including any proposed  
21 legislation, resulting from the study to the legislature no



1 later than twenty days prior to the convening of the regular  
2 session of 2021.

3 (c) For the purposes of this section, "smart imports"  
4 means the sale of excess electricity from electric utilities to  
5 consumers.

6 SECTION 4. New statutory material is underscored.

7 SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

PUC; Smart Imports; Excess Electricity; Energy

**Description:**

Requires electric utilities to offer smart imports, or excess electricity, to consumers beginning 1/1/2022. Requires PUC to direct the State's electric utilities to study and recommend how to implement a smart imports program in Hawaii by 1/1/2022 and how to enable excess generation from utility scale renewable projects to be offered for sale. Effective 7/1/2050. (HD1)

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