
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 electric system
2 resilience should be a metric that the State monitors and
3 considers. Maintaining a resilient electric system is
4 especially important in Hawaii, given the State's geographical
5 isolation. The 2023 wildfires on Maui illustrated how
6 vulnerable the State is to natural and human-caused disasters.
7 It is critical that the State continue to prioritize actions
8 that ensure the electric system can rapidly recover.

9 Accordingly, the purpose of this Act is to:

- 10 (1) Establish system resilience as a metric that is
11 monitored and considered by the public utilities
12 commission; and
13 (2) Provide that the Hawaii electricity reliability
14 surcharge may be transferred to the commission for the
15 purpose of its duties.



1 SECTION 2. Section 269-141, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 ""Resilience" means the ability of the Hawaii electric
5 system and its components to adapt to changing conditions and to
6 withstand and rapidly recover from severe disruptions."

7 SECTION 3. Section 269-142, Hawaii Revised Statutes, is
8 amended by amending subsection (b) to read as follows:

9 "(b) The commission may develop reliability standards and
10 interconnection requirements as it determines necessary or upon
11 recommendation from any entity, including an entity contracted
12 by the commission to serve as the Hawaii electricity reliability
13 administrator provided for under this part, for the continuing
14 reliable design, resilience, and operation of the Hawaii
15 electric system. Any reliability standard or interconnection
16 requirement developed by the commission shall be adopted by the
17 commission in accordance with subsection (a) in order to be
18 effective. The commission shall not contract for the
19 performance of the functions under this subsection to any other
20 entity as provided under section 269-147."



1 SECTION 4. Section 269-143, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The commission shall have the authority to monitor
4 the reliability, resilience, and operation of the Hawaii
5 electric system using any data, files, maps, reports, or any
6 other information concerning any electric utility, any user,
7 owner, or operator of the Hawaii electric system, or any person,
8 business, or entity connecting to the Hawaii electric system,
9 considered by the commission to be necessary for ensuring the
10 reliable operation and resilience of the Hawaii electric system.
11 The authority of the commission to monitor information in this
12 section shall include the authority to request, acquire, or
13 otherwise accumulate real-time data on any matter the commission
14 deems necessary to monitor the reliable design, resilience, and
15 operation of the Hawaii electric system."

16 SECTION 5. Section 269-145.5, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§269-145.5 Advanced grid modernization technology;**
19 **principles.** (a) The commission, in carrying out its
20 responsibilities under this chapter, shall consider the value of
21 improving electrical generation, transmission, and distribution



1 systems and infrastructure within the State through the use of
2 advanced grid modernization technology in order to improve the
3 overall reliability, resilience, and operational efficiency of
4 the Hawaii electric system.

5 (b) In advancing the public interest, the commission shall
6 balance technical, economic, environmental, and cultural
7 considerations associated with modernization of the electric
8 grid, based on principles that include but are not limited to:

- 9 (1) Enabling a diverse portfolio of renewable energy
10 resources;
- 11 (2) Expanding options for customers to manage their energy
12 use;
- 13 (3) Maximizing interconnection of distributed generation
14 to the State's electric grids on a cost-effective
15 basis at non-discriminatory terms and at just and
16 reasonable rates, while maintaining the reliability of
17 the State's electric grids, and allowing such access
18 and rates through applicable rules, orders, and
19 tariffs as reviewed and approved by the commission;
- 20 (4) Determining fair compensation for electric grid
21 services and other benefits provided to customers and



1 for electric grid services and other benefits provided
2 by distributed generation customers and other
3 non-utility service providers; and

4 (5) Maintaining or enhancing grid reliability, resilience,
5 and safety through modernization of the State's
6 electric grids."

7 SECTION 6. Section 269-146, Hawaii Revised Statutes, is
8 amended by amending subsections (b) and (c) to read as follows:

9 "(b) Amounts collected through the Hawaii electricity
10 reliability surcharge shall be transferred in whole or in part
11 to any entity contracted by the commission to act as the Hawaii
12 electricity reliability administrator provided for under this
13 part[-] and to the commission for the purpose of its duties
14 pursuant to sections 269-142, 269-143, and 269-144.

15 (c) The Hawaii electricity reliability surcharge shall be
16 used for the purposes of ensuring the reliable operation and
17 resilience of the Hawaii electric system and overseeing grid
18 access on the Hawaii electric system through the activities of
19 the Hawaii electricity reliability administrator contracted
20 under section 269-147; provided that amounts collected under the



1 Hawaii electricity reliability surcharge shall not be available
2 to meet any current or past general obligations of the State."

3 SECTION 7. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 8. This Act shall take effect on July 1, 3000.



H.B. NO. 2770 H.D. 1

Report Title:

PUC; System Resilience; Hawaii Electricity Reliability Surcharge

Description:

Establishes system resilience as a metric to be monitored and considered by the Public Utilities Commission. Provides that the Hawaii electricity reliability surcharge may be transferred to the Commission for the purpose of its duties. Effective 7/1/3000. (HD1)

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