

JAN 19 2024

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 many state
2 departments and agencies, specifically educational facilities,
3 face severe cost shortfalls caused by rising energy prices,
4 prompting a need for emergency appropriations greater than
5 \$30,000,000. Certain facilities, such as the university of
6 Hawaii Maui college and the nine other university of Hawaii
7 campuses across the State, have photovoltaic systems installed
8 on their parking shade structures and rooftops. However, the
9 excess electricity generated at these facilities is not fully
10 utilized as there is no existing system that authorizes the
11 wheeling of surplus clean energy to another connected facility.

12 Furthermore, the legislature also finds that, presently,
13 readily available renewable energy is not utilized because of a
14 lack of proximity to other state buildings and facilities. The
15 clean energy generated could provide electricity to state
16 facilities at peak times of operation that are concurrently off-
17 peak times for the residential population. The public utilities



1 commission's failure to open and move a docket on wheeling for
2 state facilities has crippled the State's ability to share and
3 distribute the electricity generated amongst its facilities.
4 The lack of action has also prevented the State from lowering
5 electric bills, which has resulted in substantial emergency
6 payments to utility companies.

7 The legislature further finds that the production of clean
8 electricity may be encouraged if certain government agencies, as
9 sellers of clean electricity, are authorized to engage in
10 intragovernmental wheeling, or the transmittal of electric power
11 from one power generation to another facility over the existing
12 transmission lines of a third-party electric public utility.

13 Accordingly, the purpose of this Act is to authorize the
14 department of accounting and general services to wheel
15 electricity that is produced by their own facilities from
16 renewable energy sources, subject to certain conditions
17 determined by the public utilities commission.

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



1 "§269- Wheeling; renewable energy; department of
2 accounting and general services; rules. (a) No later than
3 August 1, 2024, the public utilities commission shall open a
4 docket and set a procedural schedule to determine whether and by
5 which rules the department of accounting and general services
6 may engage in wheeling of electricity produced at its own
7 facilities from renewable sources.

8 (b) The docket shall determine:

9 (1) The rate of compensation to an electric company acting
10 as a transmitter; and

11 (2) Other terms to ensure wheeling is done in the public
12 interest, which shall include:

13 (A) The timely execution of a workforce and community
14 agreement with all stakeholders who may be
15 economically impacted or displaced prior to
16 authorization; and

17 (B) If receiving federal funding wholly or in part,
18 compliance with the Build America, Buy America
19 Act, P.L. 117-58, section 70901-52 and Executive
20 Order No. 14005, 86 Federal Regulations 7475
21 (2021).



S.B. NO. 2822

Report Title:

PUC; DAGS; Wheeling; Clean Energy

Description:

By 8/1/24, requires the Public Utilities Commission to open a docket and set a procedural schedule to determine whether and by which rules the Department of Accounting and General Services may engage in wheeling of electricity that is produced by renewable energy sources from their own facilities over existing transmission lines, subject to certain restrictions.

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

