



1 and electric utility rebates have not been enough of an  
2 incentive to overcome these up-front costs, especially for  
3 rental housing and homes in need of retrofit for these important  
4 energy-saving devices.

5 The purpose of this section is to authorize the public  
6 utilities commission to implement a pilot project to be called  
7 the "solar water heating [~~pay as you save~~] Pay As You Save<sup>®</sup>  
8 program".

9 (b) The public utilities commission shall implement a  
10 pilot project to be called the "solar water heating [~~pay as you~~  
11 ~~save~~] Pay As You Save<sup>®</sup> program", which shall:

12 (1) Allow a residential electric utility customer to  
13 purchase a solar water heating system:

14 (A) With no upfront payments; and

15 (B) By paying the cost of the system over time on the  
16 customer's electricity bill;

17 provided that the estimated life cycle electricity  
18 savings from the solar water heating system exceeds  
19 the cost of the system;

20 (2) Provide for billing and payment of the solar water  
21 heating system on the utility bill;



1 (3) Provide for disconnection of utility service for non-  
2 payment of solar water heating system [~~pay as you~~  
3 ~~save~~] Pay As You Save<sup>®</sup> payments; and

4 (4) Allow for assignment of system repayment costs  
5 attached to the meter location.

6 (c) The public utilities commission shall determine the  
7 time frame of the pilot program and shall gather and analyze  
8 information to evaluate the pilot program.

9 (d) No later than June 30, 2007, each electric utility  
10 shall implement by tariff a [~~pay as you save~~] Pay As You Save<sup>®</sup>  
11 model system program for residential consumers that is  
12 consistent with this section. Each utility shall provide at  
13 least six months prior notice of its proposed tariff to the  
14 public utilities commission as prescribed in section 269-12(b),  
15 Hawaii Revised Statutes. Within the prescribed notice period,  
16 the public utilities commission shall review the proposed tariff  
17 and after a hearing may require modifications to the proposed  
18 tariff as necessary to comply with or effectuate the purposes of  
19 this section.

20 (e) The commission shall ensure that all reasonable costs  
21 incurred by electric utilities to start up and implement the  
22 [~~pay as you save~~] Pay As You Save<sup>®</sup> model system are recovered as



1 part of the utility's revenue requirement, including necessary  
 2 billing system adjustments and any costs for [~~pay as you save~~]  
 3 Pay As You Save<sup>®</sup> model system efficiency measures that are not  
 4 recovered via participating residential consumers' [~~pay as you~~  
 5 ~~save~~] Pay As You Save<sup>®</sup> model system bill payments or otherwise."

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

8 SECTION 4. This Act shall take effect upon its approval.

9

INTRODUCED BY:

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JAN 23 2007



**Report Title:**

Solar Water Heating; Pay As You Save<sup>®</sup>

**Description:**

Clarifies that Act 240, Session Laws of Hawaii 2006, refers to the Pay As You Save<sup>®</sup> program.

