HOUSE RESOLUTION

REQUESTING THE PUBLIC UTILITIES COMMISSION TO EXPLORE THE FEASIBILITY OF RETAIL WHEELING THROUGH AN INVESTIGATIVE DOCKET.

WHEREAS, Hawaii relies on imported oil to meet over ninety per cent of the State's energy needs, leaving the State vulnerable to oil supply disruptions and volatility in the oil markets; and

WHEREAS, the State needs to take action to explore all options to support the Hawaii Clean Energy Initiative to create a clean energy economy; and

WHEREAS, in retail wheeling, energy consumers are able to select their own energy supplier or "wheel in" energy across transmission or distribution lines owned by a third party; and

WHEREAS, retail wheeling was discussed in the electric industry restructuring docket, which closed in 2003, and in the Hawaii Energy Policy Forum's 2003 final report on Hawaii energy utility regulation and taxation; and

WHEREAS, the intergovernmental wheeling docket has been suspended until December 2010 by the Public Utilities Commission in order to allow the Commission to conduct its investigation of the feed-in tariff docket; and

WHEREAS, retail wheeling falls outside the scope of the intergovernmental wheeling docket; and

WHEREAS, retail wheeling may require the unbundling of tariffs for the ancillary components of the services provided by a public utility, such as the transmission and distribution system, reliability of service, and power quality; and

WHEREAS, retail wheeling also requires the regulation of tariffs related to a "smart grid" as a partial solution to

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accommodate increasing amounts of intermittent, renewable energy on the electrical grid; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, that the Public Utilities Commission is requested to explore the concept of retail wheeling through an investigative docket; and

BE IT FURTHER RESOLVED that if the Public Utilities Commission determines that there are fundamental issues pending before the Commission that must be resolved before a retail wheeling investigative docket can be opened, the Commission is requested to submit a report to the Legislature that includes:

(1) The issues that must be resolved before an investigative docket can proceed;

(2) The priority of the issues that must be resolved; and

(3) The time and resources estimated to be allocated by the Commission to resolve those issues; and

BE IT FURTHER RESOLVED that the Public Utilities Commission is requested to submit its report not later than twenty days prior to the convening of the 2011 Regular Session; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Chairperson of the Public Utilities Commission.

OFFERED BY:

Denney Collen

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