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. Section 269-6, Hawaii Revised Statutes, is

2 amended to read as follows:

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3 "\$269-6 General powers and duties. (a) The public

4 utilities commission shall have the general supervision

5 hereinafter set forth over all public utilities, and shall

6 perform the duties and exercise the powers imposed or conferred

7 upon it by this chapter. Included among the general powers of

8 the commission is the authority to adopt rules pursuant to

9 chapter 91 necessary for the purposes of this chapter.

10 (b) The public utilities commission shall consider the

11 need to reduce the State's reliance on fossil fuels through

12 energy efficiency and increased renewable energy generation in

13 exercising its authority and duties under this chapter. In

making determinations of the reasonableness of the costs of

15 utility system capital improvements and operations, the

16 commission shall explicitly consider, quantitatively or

17 qualitatively, the effect of the State's reliance on fossil

fuels on price volatility, export of funds for fuel imports,

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- 1 fuel supply reliability risk, and greenhouse gas emissions. The
- 2 commission may determine that short-term costs or direct costs
- 3 that are higher than alternatives relying more heavily on fossil
- 4 fuels are reasonable, considering the impacts resulting from the
- 5 use of fossil fuels.
- 6 (c) Upon the request of the public utilities commission,
- 7 the energy resources coordinator of the department of business,
- 8 economic development, and tourism shall provide the commission
- 9 with an analysis of the technology readiness of renewable energy
- 10 projects. The analysis shall categorize the technology
- 11 readiness level of each renewable energy project as set forth in
- 12 this subsection. The public utilities commission shall not
- 13 consider any proposal or contract for a renewable energy project
- 14 with a technology readiness level below technology readiness
- 15 level 6. The public utilities commission may consider the
- 16 technology readiness analysis in making its final determination
- 17 on renewable energy projects by balancing the technology
- 18 readiness level assessment with other factors including costs to
- 19 consumers, job creation, capital attraction, increased revenues,
- 20 and other critical indicators.
- 21 For the purposes of this subsection:

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1	<u>(1)</u>	Technology readiness level 1 means scientific research
2		has begun to be translated into applied research and
3		development.
4	(2)	Technology readiness level 2 means practical
5		applications based on observed principles, including
6		experimental work that corroborates basic scientific
7		observations, have been invented.
8	(3)	Technology readiness level 3 means active research and
9		development, including analytical studies and
10		laboratory-scale studies, has been initiated.
11	(4)	Technology readiness level 4 means the basic
12		technological components have been integrated to
13		establish that the pieces work together as a system.
14	(5)	Technology readiness level 5 means the basic
15		technological components have been integrated so that
16		the system configuration is similar to the final
17		application in almost all respects.
18	(6)	Technology readiness level 6 means engineering-scale
19		models or prototypes have been tested in an
20		environment that closely resembles the actual
21		operating environment.

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1	('/)	Technology readiness level / means an actual system	
2		prototype of the technology is able to be demonstrated	
3		in a relevant environment.	
4	(8)	Technology readiness level 8 means the technology has	
5		been proven to work in its final form and under	
6		expected operating conditions.	
7	(9)	Technology readiness level 9 means the technology is	
8		in its final form and operates under the full range of	
9		possible operating conditions.	
10	[(c)]	(d) The chairperson of the <u>public utilities</u> commission	
11	may appoint a hearings officer, who shall not be subject to		
12	chapter 76, to hear and recommend decisions in any proceeding		
13	before it other than a proceeding involving the rates or any		
14	other matters covered in the tariffs filed by the public		
15	utilities. The hearings officer shall have the power to take		
16	testimony, make findings of fact and conclusions of law, and		
17	recommend a decision; provided that the findings of fact, the		
18	conclusions of law, and the recommended decision shall be		
19	reviewed and may be approved by the commission after notice to		
20	the parties and an opportunity to be heard. The hearings		
21	officer shall have all of the above powers conferred upon the		
22	public utilities commission under section 269-10."		

- 1 SECTION 2. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 3. This Act shall take effect upon its approval.

Report Title:

Public Utilities Commission; Technological Readiness; Department of Business, Economic Development, and Tourism; Renewable Energy

Description:

Requires the department of business, economic development, and tourism to provide, upon request by the public utilities commission, technological readiness analysis information which the public utilities commission may consider when making final determinations on renewable energy projects. (PROPOSED SB2438 HD1)

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