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## A BILL FOR AN ACT

RELATING TO ENERGY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. Hawaii has the most expensive electricity rates  
2 of all states in the nation. These high electrical rates are  
3 often attributed to Hawaii's reliance on imported oil and a  
4 doomed and obsolete electrical utilities business model that has  
5 not changed in over a century. Hawaii electrical utilities  
6 still follow an ancient business model requiring a central  
7 system operator to manage the power supply with fluctuating  
8 customer demand while maintaining the reliability of the power  
9 system. Electrical utility problems are further exacerbated by  
10 the fact that the aging analog controls used to manage the  
11 electrical supply have become increasingly unreliable and  
12 insecure.

13       To reduce both electricity prices and the State's  
14 dependence on imported oil, Hawaii must modernize the electrical  
15 grid to allow for competition in the production of electricity.  
16 An intelligent deregulated digital electrical grid control  
17 system will increase the reliability and security of the  
18 electrical grid, manage the power supply to meet electricity



1 demands, help to increase electrical production competition, and  
2 help progress Hawaii toward the widespread use of renewable  
3 energy. To increase use of renewable energy, Hawaii must remove  
4 barriers preventing competition in the electricity production  
5 marketplace while ensuring the stability of the electrical grid.

6 The purpose of this Act is to clarify that an electrical  
7 customer-generator may install a net-energy meter at the  
8 customer-generator's own expense.

9 SECTION 2. Section 269-101, Hawaii Revised Statutes, is  
10 amended by amending the definition of "net energy metering" to  
11 read as follows:

12 ""Net energy metering" means measuring the difference  
13 between the electricity supplied through the electric grid and  
14 the electricity generated by an eligible customer-generator and  
15 fed back to the electric grid over a monthly billing period;  
16 provided that:

17 (1) Net energy metering shall be accomplished using a  
18 single meter capable of registering the flow of  
19 electricity in two directions;

20 (2) An additional meter or meters to monitor the flow of  
21 electricity in each direction may be installed with  
22 the consent of the customer-generator, at the expense



1 of the electric utility, and the additional metering  
2 shall be used only to provide the information  
3 necessary to accurately bill or credit the customer-  
4 generator, or to collect solar, wind turbine, biomass,  
5 or hydroelectric energy generating system performance  
6 information for research purposes;

7 (3) If the existing electrical meter of an eligible  
8 customer-generator is not capable of measuring the  
9 flow of electricity in two directions, the electric  
10 utility shall be responsible for all expenses involved  
11 in purchasing and installing a meter that is able to  
12 measure electricity flow in two directions;

13 (4) If an additional meter or meters are installed, the  
14 net energy metering calculation shall yield a result  
15 identical to that of a single meter; [and]

16 (5) An eligible customer-generator who already owns an  
17 existing solar, wind turbine, biomass, or  
18 hydroelectric energy generating facility, or a hybrid  
19 system consisting of two or more of these facilities,  
20 is eligible to receive net energy metering service in  
21 accordance with this part [7]; and



1        (6) Nothing in this chapter shall prevent an eligible  
2        customer-generator from contracting with a licensed  
3        electrician to install an approved meter at the  
4        customer-generator's own expense."

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

7        SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY:

Guthrie Thelen

JAN 09 2014



**Report Title:**

Net Energy Metering; Installation; Licensed Electrician

**Description:**

Clarifies that the eligible customer-generators may contract with a licensed electrician to install net energy meters at the customer-generator's own expense.

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