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## A BILL FOR AN ACT

RELATING TO PUBLIC UTILITIES.

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

1           SECTION 1. The legislature finds that the State's  
2 renewable energy goals for electricity cannot be achieved by the  
3 current regulated but market-driven mixed public utility  
4 organization. The current organization relies heavily upon  
5 fossil fuel-based power plants that are lightly complemented by  
6 independently produced renewable energy acquired under a market  
7 driven request for proposal and power purchase agreement  
8 process. Oversight of acquisition and transmission costs is  
9 handled by the public utilities commission using a classic rate  
10 case model. The legislature also finds that this organization  
11 requires the public utilities commission to work with multiple  
12 public utility companies to share renewable energy technologies  
13 and human resources while processing multiple rate tariffs and  
14 engaging in other duplicative efforts that delay and inhibit the  
15 Hawaii clean energy initiative. Existing statutes that allow  
16 the utilities to merge renewable portfolio standards and share  
17 renewable energy costs add complexity to the management process.



1 These statutes create a virtual single electric utility between  
2 counties.

3 It has been clearly documented that the city and county of  
4 Honolulu, with its large population base, has the highest demand  
5 for electricity. It has also been clearly documented that Maui  
6 and Hawaii counties have far greater wind and geothermal  
7 resources for the generation of electricity. The existing  
8 organization of multiple county-based public utilities that  
9 supply electricity does not facilitate a shared or distributed  
10 use of renewable electricity. The legislature further finds  
11 that this Act will facilitate the development of excess  
12 renewable electric energy from counties with small populations  
13 for utilization by counties with larger populations.

14 The legislature further finds that the State needs a single  
15 electricity development plan and supporting organization because  
16 the one hundred year old county-based public utility  
17 organizations will not support our future. For more than  
18 twenty-four years, the State has recognized that development of  
19 geothermal energy and a cable system should be a priority, as  
20 evidenced by chapter 196D, Hawaii Revised Statutes. Further,  
21 wind and photovoltaic energy is intermittent and would provide  
22 only twenty to thirty per cent of the State's energy needs in



1 the future. The State must focus on identifying and developing  
2 the remaining necessary firm renewable energy resources to meet  
3 our electricity needs.

4 The legislature further finds that a new electric utility  
5 organization model should be focused on transmission, delivery,  
6 network reliability, and lowest cost modeling. The  
7 prioritization of lower cost renewable electricity over fossil  
8 fuel-based electricity must be a key component of the new  
9 system. Energy sources and electricity production costs of all  
10 power plants should be clearly identified to facilitate  
11 decisions on whether to curtail or retire those plants.

12 The purpose of this Act is to facilitate the transition  
13 from fossil fuel-based energy to renewable energy for  
14 production, distribution, and management of electricity to  
15 stabilize or reduce electricity costs over time.

16 SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
17 amended by adding two new sections to be appropriately  
18 designated and to read as follows:

19 "§269- Electric utility companies; limitation. (a)  
20 Notwithstanding any other law to the contrary, no electric  
21 utility company shall own or operate both the means of producing



1 electricity and the means of conveying, transmitting,  
2 delivering, or furnishing electricity to the public.

3 (b) For purposes of this section, "electric utility  
4 company" shall have the same meaning as in section 269-91.

5 (c) This section shall not apply to an electric utility  
6 company exempt from federal taxes under section 501(c)(12) of  
7 the Internal Revenue Code.

8 **§269- Power purchase agreements; prohibited with**  
9 **affiliates.** (a) Notwithstanding any other law to the contrary,  
10 any electric utility company shall acquire the electricity it  
11 provides to the public through a power purchase agreement.

12 (b) No electric utility company shall enter into a power  
13 purchase agreement with any affiliated interest.

14 (c) The rate payable by the electric utility company to  
15 the producer for the generated electricity supplied to the  
16 electric utility company shall be as agreed upon between the  
17 electric utility company and the producer and as approved by the  
18 public utilities commission; provided that if the electric  
19 utility company and the producer fail to reach an agreement for  
20 a rate, the rate shall be as prescribed by the public utilities  
21 commission according to the powers and procedures provided in  
22 this chapter.



1        (d) For the purposes of this section, unless the context  
2 requires otherwise:

3        "Affiliated interests" means the same as defined under  
4 section 269-19.5.

5        "Electric utility company" means the same as in section  
6 269-91.

7        "Power purchase agreement" means an agreement between an  
8 owner of any facility that produces electricity and an electric  
9 utility company for the sale of electricity produced by the  
10 facility to the electric utility company.

11        (e) This section shall not apply to an electric utility  
12 company exempt from federal taxes under section 501(c)(12) of  
13 the Internal Revenue Code."

14        SECTION 3. Section 269-1, Hawaii Revised Statutes, is  
15 amended by amending the definition of "public utility" to read  
16 as follows:

17        ""Public utility":

18        (1) Includes every person who may own, control, operate,  
19            or manage as owner, lessee, trustee, receiver, or  
20            otherwise, whether under a franchise, charter,  
21            license, articles of association, or otherwise, any  
22            plant or equipment, or any part thereof, directly or



1 indirectly for public use for the transportation of  
2 passengers or freight; for the conveyance or  
3 transmission of telecommunications messages; for the  
4 furnishing of facilities for the transmission of  
5 intelligence by electricity within the State or  
6 between points within the State by land, water, or  
7 air; for the [~~production,~~] conveyance, transmission,  
8 delivery, or furnishing of light, power, heat, cold,  
9 water, gas, or oil; for the storage or warehousing of  
10 goods; or for the disposal of sewage; provided that  
11 the term shall include:

12 (A) An owner or operator of a private sewer company  
13 or sewer facility; and

14 (B) A telecommunications carrier or  
15 telecommunications common carrier; and

16 (2) Shall not include:

17 (A) An owner or operator of an aerial transportation  
18 enterprise;

19 (B) An owner or operator of a taxicab as defined in  
20 this section;

21 (C) Common carriers that transport only freight on  
22 the public highways, unless operating within



1           localities, along routes, or between points that  
2           the public utilities commission finds to be  
3           inadequately serviced without regulation under  
4           this chapter;

5           (D) Persons engaged in the business of warehousing or  
6           storage unless the commission finds that  
7           regulation is necessary in the public interest;

8           (E) A carrier by water to the extent that the carrier  
9           enters into private contracts for towage,  
10          salvage, hauling, or carriage between points  
11          within the State; provided that the towing,  
12          salvage, hauling, or carriage is not pursuant to  
13          either an established schedule or an undertaking  
14          to perform carriage services on behalf of the  
15          public generally;

16          (F) A carrier by water, substantially engaged in  
17          interstate or foreign commerce, that transports  
18          passengers on luxury cruises between points  
19          within the State or on luxury round-trip cruises  
20          returning to the point of departure;

21          (G) Any person who:



- 1 (i) Controls, operates, or manages plants or
- 2 facilities for the production, transmission,
- 3 or furnishing of power primarily or entirely
- 4 from nonfossil fuel sources; and
- 5 (ii) Provides, sells, or transmits all of that
- 6 power, except as is used in its own internal
- 7 operations, directly to a public utility for
- 8 transmission to the public;
- 9 (H) A telecommunications provider only to the extent
- 10 determined by the public utilities commission
- 11 pursuant to section 269-16.9;
- 12 (I) Any person who controls, operates, or manages
- 13 plants or facilities developed pursuant to
- 14 chapter 167 for conveying, distributing, and
- 15 transmitting water for irrigation and other
- 16 purposes for public use and purpose;
- 17 (J) Any person who owns, controls, operates, or
- 18 manages plants or facilities for the reclamation
- 19 of wastewater; provided that:
- 20 (i) The services of the facility are provided
- 21 pursuant to a service contract between the
- 22 person and a state or county agency and at



1 least ten per cent of the wastewater  
2 processed is used directly by the state or  
3 county agency that entered into the service  
4 contract;

5 (ii) The primary function of the facility is the  
6 processing of secondary treated wastewater  
7 that has been produced by a municipal  
8 wastewater treatment facility owned by a  
9 state or county agency;

10 (iii) The facility does not make sales of water to  
11 residential customers;

12 (iv) The facility may distribute and sell  
13 recycled or reclaimed water to entities not  
14 covered by a state or county service  
15 contract; provided that, in the absence of  
16 regulatory oversight and direct competition,  
17 the distribution and sale of recycled or  
18 reclaimed water shall be voluntary and its  
19 pricing fair and reasonable. For purposes  
20 of this subparagraph, "recycled water" and  
21 "reclaimed water" means treated wastewater



1                   that by design is intended or used for a  
2                   beneficial purpose; and

3                   (v) The facility is not engaged, either directly  
4                   or indirectly, in the processing of food  
5                   wastes;

6                   (K) Any person who owns, controls, operates, or  
7                   manages any seawater air conditioning district  
8                   cooling project; provided that at least fifty per  
9                   cent of the energy required for the seawater air  
10                  conditioning district cooling system is provided  
11                  by a renewable energy resource, such as cold,  
12                  deep seawater;

13                  (L) Any person who owns, controls, operates, or  
14                  manages plants or facilities primarily used to  
15                  charge or discharge a vehicle battery that  
16                  provides power for vehicle propulsion; and

17                  (M) Any person who:  
18                       (i) Owns, controls, operates, or manages a  
19                       renewable energy system that is located on a  
20                       customer's property; and  
21                       (ii) Provides, sells, or transmits the power  
22                       generated from that renewable energy system



1           to an electric utility or to the customer on  
2           whose property the renewable energy system  
3           is located; provided that, for purposes of  
4           this clause, a customer's property shall  
5           include all contiguous property owned or  
6           leased by the customer without regard to  
7           interruptions in contiguity caused by  
8           easements, public thoroughfares,  
9           transportation rights-of-way, and utility  
10          rights-of-way.

11          If the application of this chapter is ordered by the  
12          commission in any case provided in paragraphs (2)(C), (2)(D),  
13          (2)(H), and (2)(I), the business of any public utility that  
14          presents evidence of bona fide operation on the date of the  
15          commencement of the proceedings resulting in the order shall be  
16          presumed to be necessary to the public convenience and  
17          necessity, but any certificate issued under this proviso shall  
18          nevertheless be subject to terms and conditions as the public  
19          utilities commission may prescribe, as provided in sections 269-  
20          16.9 and 269-20."

21          SECTION 4. Section 269-16, Hawaii Revised Statutes, is  
22          amended to read as follows:



1           **"§269-16 Regulation of utility rates; ratemaking**  
2 **procedures.** (a) All rates, fares, charges, classifications,  
3 schedules, rules, and practices made, charged, or observed by  
4 any public utility or by two or more public utilities jointly  
5 shall be just and reasonable and shall be filed with the public  
6 utilities commission. The rates, fares, classifications,  
7 charges, and rules of every public utility shall be published by  
8 the public utility in such manner as the public utilities  
9 commission may require, and copies shall be furnished to any  
10 person on request.

11           To the extent the contested case proceedings referred to in  
12 chapter 91 are required in any rate proceeding to ensure  
13 fairness and to provide due process to parties that may be  
14 affected by rates approved by the commission, the evidentiary  
15 hearings shall be conducted expeditiously and shall be conducted  
16 as a part of the ratemaking proceeding.

17           (b) No rate, fare, charge, classification, schedule, rule,  
18 or practice, other than one established pursuant to an automatic  
19 rate adjustment clause previously approved by the commission,  
20 shall be established, abandoned, modified, or departed from by  
21 any public utility, except after thirty days' notice to the  
22 commission as prescribed in section 269-12(b), and prior



1 approval by the commission for any increases in rates, fares, or  
2 charges. The commission, in its discretion and for good cause  
3 shown, may allow any rate, fare, charge, classification,  
4 schedule, rule, or practice to be established, abandoned,  
5 modified, or departed from upon notice less than that provided  
6 for in section 269-12(b). A contested case hearing shall be  
7 held in connection with any increase in rates, and the hearing  
8 shall be preceded by a public hearing as prescribed in section  
9 269-12(c), at which the consumers or patrons of the public  
10 utility may present testimony to the commission concerning the  
11 increase. The commission, upon notice to the public utility,  
12 may:

13 (1) Suspend the operation of all or any part of the  
14 proposed rate, fare, charge, classification, schedule,  
15 rule, or practice or any proposed abandonment or  
16 modification thereof or departure therefrom;

17 (2) After a hearing, by order:

18 (A) Regulate, fix, and change all such rates, fares,  
19 charges, classifications, schedules, rules, and  
20 practices so that the same shall be just and  
21 reasonable;



- 1 (B) Prohibit rebates and unreasonable discrimination  
2 between localities or between users or consumers  
3 under substantially similar conditions;
- 4 (C) Regulate the manner in which the property of  
5 every public utility is operated with reference  
6 to the safety and accommodation of the public;
- 7 (D) Prescribe its form and method of keeping  
8 accounts, books, and records, and its accounting  
9 system;
- 10 (E) Regulate the return upon its public utility  
11 property;
- 12 (F) Regulate the incurring of indebtedness relating  
13 to its public utility business; and
- 14 (G) Regulate its financial transactions; and
- 15 (3) Do all things that are necessary and in the exercise  
16 of the commission's power and jurisdiction, all of  
17 which as so ordered, regulated, fixed, and changed are  
18 just and reasonable, and provide a fair return on the  
19 property of the utility actually used or useful for  
20 public utility purposes.
- 21 (c) The commission may in its discretion, after public  
22 hearing and upon showing by a public utility of probable



1 entitlement and financial need, authorize temporary increases in  
2 rates, fares, and charges; provided that the commission shall  
3 require by order the public utility to return, in the form of an  
4 adjustment to rates, fares, or charges to be billed in the  
5 future, any amounts with interest, at a rate equal to the rate  
6 of return on the public utility's rate base found to be  
7 reasonable by the commission, received by reason of continued  
8 operation that are in excess of the rates, fares, or charges  
9 finally determined to be just and reasonable by the commission.  
10 Interest on any excess shall commence as of the date that any  
11 rate, fare, or charge goes into effect that results in the  
12 excess and shall continue to accrue on the balance of the excess  
13 until returned.

14 (d) The commission shall make every effort to complete its  
15 deliberations and issue its decision as expeditiously as  
16 possible and before nine months from the date the public utility  
17 filed its completed application; provided that in carrying out  
18 this mandate, the commission shall require all parties to a  
19 proceeding to comply strictly with procedural time schedules  
20 that it establishes. If a decision is rendered after the nine-  
21 month period, the commission shall report in writing the reasons



1 therefor to the legislature within thirty days after rendering  
2 the decision.

3       Notwithstanding subsection (c), if the commission has not  
4 issued its final decision on a public utility's rate application  
5 within the nine-month period stated in this section, the  
6 commission, within one month after the expiration of the nine-  
7 month period, shall render an interim decision allowing the  
8 increase in rates, fares and charges, if any, to which the  
9 commission, based on the evidentiary record before it, believes  
10 the public utility is probably entitled. The commission may  
11 postpone its interim rate decision for thirty days if the  
12 commission considers the evidentiary hearings incomplete. In  
13 the event interim rates are made effective, the commission shall  
14 require by order the public utility to return, in the form of an  
15 adjustment to rates, fares, or charges to be billed in the  
16 future, any amounts with interest, at a rate equal to the rate  
17 of return on the public utility's rate base found to be  
18 reasonable by the commission, received under the interim rates  
19 that are in excess of the rates, fares, or charges finally  
20 determined to be just and reasonable by the commission.  
21 Interest on any excess shall commence as of the date that any  
22 rate, fare, or charge goes into effect that results in the



1 excess and shall continue to accrue on the balance of the excess  
2 until returned.

3       The nine-month period in this subsection shall begin only  
4 after a completed application has been filed with the commission  
5 and a copy served on the consumer advocate. The commission  
6 shall establish standards concerning the data required to be set  
7 forth in the application in order for it to be deemed a  
8 completed application. The consumer advocate may, within  
9 twenty-one days after receipt, object to the sufficiency of any  
10 application, and the commission shall hear and determine any  
11 objection within twenty-one days after it is filed. If the  
12 commission finds that the objections are without merit, the  
13 application shall be deemed to have been completed upon original  
14 filing. If the commission finds the application to be  
15 incomplete, it shall require the applicant to submit an amended  
16 application consistent with its findings, and the nine-month  
17 period shall not commence until the amended application is  
18 filed.

19       (e) In any case of two or more organizations, trades, or  
20 businesses (whether or not incorporated, whether or not  
21 organized in the State of Hawaii, and whether or not affiliated)  
22 owned or controlled directly or indirectly by the same



1 interests, the commission may distribute, apportion, or allocate  
2 gross income, deductions, credits, or allowances between or  
3 among the organizations, trades, or businesses, if it determines  
4 that the distribution, apportionment, or allocation is necessary  
5 to adequately reflect the income of any such organizations,  
6 trades, or businesses to carry out the regulatory duties imposed  
7 by this section.

8 (f) Notwithstanding any law to the contrary, for public  
9 utilities having annual gross revenues of less than \$2,000,000,  
10 the commission may make and amend its rules and procedures to  
11 provide the commission with sufficient facts necessary to  
12 determine the reasonableness of the proposed rates without  
13 unduly burdening the utility company and its customers. In the  
14 determination of the reasonableness of the proposed rates, the  
15 commission shall:

16 (1) Require the filing of a standard form application to  
17 be developed by the commission. The standard form  
18 application for general rate increases shall describe  
19 the specific facts that shall be submitted to support  
20 a determination of the reasonableness of the proposed  
21 rates, and require the submission of financial  
22 information in conformance with a standard chart of



1 accounts to be approved by the commission, and other  
2 commission guidelines to allow expeditious review of a  
3 requested general rate increase application;

4 (2) Hold a public hearing as prescribed in section  
5 269-12(c) at which the consumers or patrons of the  
6 public utility may present testimony to the commission  
7 concerning the increase. The public hearing shall be  
8 preceded by proper notice, as prescribed in section  
9 269-12; and

10 (3) Make every effort to complete its deliberations and  
11 issue a proposed decision and order within six months  
12 from the date the public utility files a completed  
13 application with the commission; provided that all  
14 parties to the proceeding strictly comply with the  
15 procedural schedule established by the commission and  
16 no person is permitted to intervene. If a proposed  
17 decision and order is rendered after the six-month  
18 period, the commission shall report in writing the  
19 reasons therefor to the legislature within thirty days  
20 after rendering the proposed decision and order.

21 Prior to the issuance of the commission's proposed



1 decision and order, the parties shall not be entitled  
2 to a contested case hearing.

3 If all parties to the proceeding accept the  
4 proposed decision and order, the parties shall not be  
5 entitled to a contested case hearing, and section  
6 269-15.5 shall not apply. If the commission permits a  
7 person to intervene, the six-month period shall not  
8 apply and the commission shall make every effort to  
9 complete its deliberations and issue its decision  
10 within the nine-month period from the date the public  
11 utility's completed application was filed, pursuant to  
12 subsections (b), (c), and (d).

13 If a party does not accept the proposed decision  
14 and order, either in whole or in part, that party  
15 shall give notice of its objection or nonacceptance  
16 within the timeframe prescribed by the commission in  
17 the proposed decision and order, setting forth the  
18 basis for its objection or nonacceptance; provided  
19 that the proposed decision and order shall have no  
20 force or effect pending the commission's final  
21 decision. If notice is filed, the above six-month  
22 period shall not apply and the commission shall make



1 every effort to complete its deliberations and issue  
2 its decision within the nine-month period from the  
3 date the public utility's completed application was  
4 filed as set forth in subsection (d). Any party that  
5 does not accept the proposed decision and order under  
6 this paragraph shall be entitled to a contested case  
7 hearing; provided that the parties to the proceeding  
8 may waive the contested case hearing.

9 Public utilities subject to this subsection shall follow  
10 the standard chart of accounts to be approved by the commission  
11 for financial reporting purposes. The public utilities shall  
12 file a certified copy of the annual financial statements in  
13 addition to an updated chart of accounts used to maintain their  
14 financial records with the commission and consumer advocate  
15 within ninety days from the end of each calendar or fiscal year,  
16 as applicable, unless this timeframe is extended by the  
17 commission. The owner, officer, general partner, or authorized  
18 agent of the utility shall certify that the reports were  
19 prepared in accordance with the standard chart of accounts.

20 (g) Any automatic fuel rate adjustment clause requested by  
21 a public utility in an application filed with the commission



1 shall be designed, as determined in the commission's discretion,  
2 to:

3 (1) Fairly share the risk of fuel cost changes between the  
4 public utility and its customers;

5 (2) Provide the public utility with sufficient incentive  
6 to reasonably manage or lower its fuel costs and  
7 encourage greater use of renewable energy;

8 (3) Allow the public utility to mitigate the risk of  
9 sudden or frequent fuel cost changes that cannot  
10 otherwise reasonably be mitigated through other  
11 commercially available means, such as through fuel  
12 hedging contracts;

13 (4) Preserve, to the extent reasonably possible, the  
14 public utility's financial integrity; and

15 (5) Minimize, to the extent reasonably possible, the  
16 public utility's need to apply for frequent  
17 applications for general rate increases to account for  
18 the changes to its fuel costs.

19 (h) For the purposes of ratemaking, any two or more  
20 electric utility companies in the state held by the same  
21 financial holding company shall be deemed to be a single entity.

22 The public utilities commission shall approve just and



1 reasonable statewide rates for ratepayers of electric utility  
2 companies held by the same financial holding company without  
3 regard to location of the ratepayer. The commission shall  
4 ensure that the rates do not diminish any electric utility  
5 company's opportunity to earn a fair rate of return. The rates  
6 shall be based upon the following:

- 7 (1) A fixed monthly connection service charge;
- 8 (2) A variable monthly electricity transmission and  
9 distribution rate;
- 10 (3) A variable monthly electricity consumption rate; and
- 11 (4) Other fees, taxes, and charges as approved by the  
12 commission.

13 For the purposes of this subsection:

14 "Electric utility company" means the same as defined in  
15 section 269-91.

16 "Financial holding company" means the same as defined in  
17 section 241-1."

18 SECTION 5. Section 269-27.2, Hawaii Revised Statutes, is  
19 amended by amending subsections (a) and (b) to read as follows:

20 "(a) The public utilities commission shall investigate and  
21 determine the extent to which electricity generated from  
22 nonfossil fuel sources is available to public utilities that



1 supply electricity to the public, which electricity is in excess  
2 of that utilized or otherwise needed by the producers for their  
3 internal uses and which the producers are willing to make  
4 available to the electric public utilities. The commission, in  
5 conjunction with any electric public utility, shall place a  
6 priority on the development of firm and distributable  
7 geothermal-based electricity to replace existing fossil fuel-  
8 based power generation facilities.

9 (b) The public utilities commission [~~may~~] shall direct  
10 public utilities that supply electricity to the public, except a  
11 public utility exempt from federal taxes under section  
12 501(c)(12) of the Internal Revenue Code, to [~~arrange~~]:

13 (1) Prior to acquiring electricity from fossil fuel  
14 sources, arrange for the acquisition of and to acquire  
15 the lowest cost, electrical grid-safe electricity  
16 generated from nonfossil fuel sources [~~as is available~~  
17 ~~from and the~~] by producers who are willing and able to  
18 make that electricity available to the public  
19 utilities[~~r~~]; and [~~to employ~~]

20 (2) Employ and dispatch the nonfossil fuel generated  
21 electricity in a manner consistent with the  
22 availability thereof,



1 to maximize the reduction in consumption of fossil fuels in the  
2 generation of electricity to be provided to the public. To  
3 assist the energy resources coordinator in effectuating the  
4 purposes of chapter 201N, the public utilities commission may  
5 develop reasonable guidelines and timetables for the creation  
6 and implementation of power purchase agreements."

7 SECTION 6. Section 269-91, Hawaii Revised Statutes, is  
8 amended by amending the definition of "electric utility company"  
9 to read as follows:

10 ""Electric utility company" means a public utility as  
11 defined under section 269-1, for the [~~production,~~] conveyance,  
12 transmission, delivery, or furnishing of power."

13 SECTION 7. This Act shall not be applied so as to impair  
14 any contract existing as of the effective date of this Act in a  
15 manner violative of either the Hawaii state constitution or  
16 Article I, Section 10, of the United States Constitution.

17 SECTION 8. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.



1 SECTION 9. This Act shall take effect on January 1, 2015;  
2 provided that sections 2, 3, and 6 of this Act shall take effect  
3 on January 1, 2025.

4

INTRODUCED BY: 

JAN 22 2013



**Report Title:**

Electric Public Utilities; Operations; Rates; Energy Sources

**Description:**

Limits electric public utilities to delivering electricity. Prohibits acquisition of electricity by an electric public utility power purchase agreement with an affiliated entity. Requires electric public utilities to purchase lowest cost, nonfossil fuel generated electricity prior to purchasing fossil fuel generated electricity. Requires PUC to establish a statewide electricity rate for utilities held by the same holding company. Exempts utilities qualifying as a cooperation under section 501(c)(12) of the IRC. Prioritizes geothermal as a replacement for fossil fuel.

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

