# A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

- 1 SECTION 1. The purpose of this Act is to amend the
- 2 definition of renewable portfolio standard to more accurately
- 3 reflect the percentage of renewable energy penetration in the
- 4 State. This amendment is consistent with Act 97, Session Laws
- 5 of Hawaii 2015, which established the 100 per cent renewable
- 6 portfolio standard by 2045 and the statutory intent to
- 7 transition the State away from imported fuels and toward
- 8 renewable local resources that provide a secure source of
- 9 affordable energy. This is accomplished by amending the
- 10 renewable portfolio standard calculation to be based on
- 11 electrical energy generation as opposed to electrical energy
- 12 sales.
- 13 There are two fundamental issues that lead to the current
- 14 discrepancy: (1) the current renewable portfolio standard
- 15 calculation inflates the reported percentage of renewable energy
- 16 by excluding renewables from customer-sited, grid-connected
- 17 renewable energy generation in the denominator, which becomes



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- 1 material with higher levels of customer-sited, grid-connected
- 2 renewable energy generation and higher renewable portfolio
- 3 standard percentages; and (2) the current electrical energy
- 4 sales number does not include energy losses that occur between
- 5 the points of electrical energy generation and the customer
- 6 meter where sales are measured. Failure to address these issues
- 7 would result in an overestimate of the renewable energy
- 8 servicing Hawaii's electric utility customers, thereby creating
- 9 the incorrect public perception of the State's progress towards
- 10 its one hundred per cent renewable energy statutory goal.
- 11 SECTION 2. Section 269-91, Hawaii Revised Statutes, is
- 12 amended by amending the definition of "renewable portfolio
- 13 standard" to read as follows:
- ""Renewable portfolio standard" means the percentage of
- 15 electrical energy [sales] generation that is represented by
- 16 renewable electrical energy."
- 17 SECTION 3. Statutory material to be repealed is bracketed
- 18 and stricken. New statutory material is underscored.
  - SECTION 4. This Act shall take effect upon its approval.

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#### Report Title:

Renewable Portfolio Standard; Definition

### Description:

Amends the "renewable portfolio standard" definition to more accurately reflect the amount of renewable energy generation in Hawaii by basing the renewable portfolio standard calculation on electrical energy generation as opposed to electrical energy sales. (HB2291 HD2)

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HB2291 HD2 HMS 2016-2551