### A BILL FOR AN ACT

RELATING TO INTRA-GOVERNMENTAL WHEELING.

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

- 1 SECTION 1. The legislature finds that production of
- 2 renewable energy may be encouraged if government agencies, as
- 3 sellers of renewable energy, are allowed to engage in intra-
- 4 governmental wheeling, in which electric power is transmitted
- 5 from one agency's point of generation to the facilities of other
- 6 governmental agencies over the existing transmission lines of a
- 7 third-party electric public utility. Specifically, the State
- 8 and other government entities such as the counties could acquire
- 9 renewable energy by purchasing it from a renewable energy
- 10 project developer and then transmit it, across utility lines
- 11 owned and maintained by an existing electric utility, to the
- 12 government agency or another government agency.
- The legislature also finds that intra-governmental wheeling
- 14 has been a topic of discussion over the years in dockets at the
- 15 public utilities commission, but no related orders have been
- 16 filed. Intra-governmental wheeling was part of a broader
- 17 discussion on distributed generation in a docket opened in 2003

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- 1 and the specific topic of discussion in a docket opened in 2007.
- 2 In the 2003 docket, the commission did not fully address the
- 3 issues relevant to intra-governmental wheeling. In the 2007
- 4 docket, all of the preliminary steps for the proceeding were
- 5 concluded by 2013. However, the docket remains open, but
- 6 stalled.
- 7 The purpose of this Act is to expedite the implementation
- 8 of intra-governmental wheeling by authorizing government
- 9 agencies to wheel electricity that is produced by their own
- 10 facilities from renewable energy resources, subject to
- 11 disallowance by the public utilities commission.
- 12 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
- 13 amended by adding a new section to be appropriately designated
- 14 and to read as follows:
- "\$269- Wheeling; renewable energy; government agencies;
- 16 rules. (a) A government agency may engage in wheeling of
- 17 electricity produced at its own facilities from renewable energy
- 18 resources.
- (b) The public utilities commission may disallow a
- 20 wheeling project if the commission determines that the project
- 21 is either:



- Detrimental to an electric utility company; or 1 (1)
- (2) Not in the public interest. 2
- (c) The public utilities commission shall adopt rules 3
- pursuant to chapter 91 to implement this section." 4
- SECTION 3. The public utilities commission shall complete 5
- its intra-governmental wheeling proceeding and establish an 6
- intra-governmental tariff by December 31, 2020. 7
- SECTION 4. New statutory material is underscored. 8
- SECTION 5. This Act shall take effect upon its approval. 9

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INTRODUCED BY:

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### Report Title:

PUC; Intra-governmental Wheeling; Authorized

### Description:

Authorizes any government agency to engage in the wheeling of electricity that is produced at its own facilities from renewable energy resources, subject to disallowance by the Public Utilities Commission.

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