THE SENATE THIRTIETH LEGISLATURE, 2019 STATE OF HAWAII S.B. NO. 251

JAN 1 8 2019

A BILL FOR AN ACT

RELATED TO RENEWABLE ENERGY.

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

1 SECTION 1. The legislature finds that Hawaii ranks third 2 for the most solar power per capita in the United States. In 3 addition to exporting electricity generated by customers back to the grid, Hawaii can create a more comprehensive and long-term 4 5 solution that solves the problem of excess electricity during 6 daylight hours. Fewer Hawaii residents and businesses are 7 installing solar panels each year, in part due to the public 8 utilities commission's policies. Solar power will be key to 9 achieving the State's goal of generating one hundred per cent of 10 the State's electricity from renewable energy sources by 2045.

11 The legislature additionally finds that energy storage is 12 one solution to the problem. However, energy storage is usually 13 expensive and limited in capacity. A second solution to excess 14 electricity generated during daylight hours is to sell the 15 excess electricity to consumers such as computer companies or 16 agricultural growers during daylight hours at the net cost to



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1 electric utility. The sale of excess electricity from the grid
2 to consumers at net cost is known as "smart imports."

The legislature further finds that smart imports can reduce electricity rates and effectively use the abundance of solar power during daylight hours. This can help more Hawaii residents and businesses transition to using electric vehicles through low or no-cost charging during daylight. Smart imports can significantly boost the solar, battery storage, and electric yehicle industries.

10 The purpose of this Act is to require electric utilities to 11 offer excess electricity during daylight hours at cost to 12 consumers to help create a more sustainable Hawaii.

13 SECTION 2. Chapter 269, Hawaii Revised Statutes, is 14 amended by adding a new section to part VI to be appropriately 15 designated and to read as follows:

16 "<u>§269-</u> <u>Smart imports; solar energy; excess electricity.</u>
17 (a) Beginning January 1, 2021, electric utilities shall offer
18 excess electricity to consumers during daylight hours at cost
19 for any legal purpose.

20 (b) For purposes of this section:



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1 "At cost" means the net cost to the electric utility of 2 such power. "At cost" may be zero or less than zero. 3 "Smart imports" means the sale of excess electricity from 4 electric utilities to consumers." 5 SECTION 3. The public utilities commission shall initiate 6 a proceeding to study other states' smart imports programs, 7 solar and energy storage solutions, and related solutions to 8 excess electricity and propose a "smart imports program" in Hawaii to be implemented no later than January 1, 2021. The 9 10 public utilities commission shall submit a report of its 11 findings and recommendations, including any proposed 12 legislation, to the legislature no later than twenty days prior 13 to the convening of the regular session of 2020. 14 SECTION 4. New statutory material is underscored. 15 SECTION 5. This Act shall take effect upon its approval. 16 INTRODUCED BY:

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Report Title:

Smart Imports; Excess Electricity; Solar Energy; Public Utilities Commission

Description:

Requires the Public Utilities Commission to study and recommend how to implement a smart imports program in Hawaii. Requires electric utilities to offer excess electricity to consumers during daylight hours at cost for any legal purpose beginning 1/1/2021.

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