A BILL FOR AN ACT

RELATING TO ENERGY.

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

- 1 SECTION 1. The legislature finds that climate change
- 2 caused by carbon emissions from burning fossil fuels poses a
- 3 serious threat to the economic well-being, public health,
- 4 natural resources, and environment of Hawaii. The State has
- 5 committed to eliminating fossil fuels from the electricity and
- 6 ground transportation sectors, abiding by the Paris Climate
- 7 Accord's goal to limit the amount of global warming to less than
- 8 1.5 degrees Celsius, and achieving negative carbon emissions for
- 9 Hawaii by 2045. The legislature finds that meeting the State's
- 10 clean energy goals and commitments necessitates the rapid
- 11 transition to zero-emission vehicles that utilize local,
- 12 renewable energy sources.
- 13 The legislature further finds that the number of electric
- 14 vehicles in Hawaii is rising as more electric vehicles come to
- 15 market, the ranges of electric vehicles increase, and the cost
- 16 of electric vehicles decrease. The number of registered
- 17 electric vehicles in Hawaii increased more than thirty per cent

- 1 during 2021, while the number of registered gasoline-powered
- 2 vehicles has decreased.
- 3 The legislature believes that while there is a growing
- 4 interest in electric vehicles among Hawaii residents, the lack
- 5 of adequate vehicle charging infrastructure presents a key
- 6 barrier to adoption. Many Hawaii residents, such as renters and
- 7 other residents living in apartment buildings and other multi-
- 8 family dwellings, lack access to electric vehicle charging
- 9 stations at home and at work because a vast majority of parking
- 10 facilities in the State lack electric vehicle charging stations.
- 11 Recognizing that a lack of charging infrastructure remains a
- 12 barrier to more widespread adoption of electric vehicles, in
- 13 2019 the legislature established an electric vehicle charging
- 14 system rebate program to incentivize the installation of
- 15 publicly available charging stations and charging stations that
- 16 serve fleets, or multiple tenants, employees, or customers.
- 17 The legislature further finds that the continuation of the
- 18 electric vehicle charging system rebate program is a critical
- 19 component of the State's efforts to transition off of fossil
- 20 fuels and achieve a carbon-negative economy by 2045.
- 21 Additionally, the program should work in tandem with, and not

- 1 duplicate, any available federal funding to further the goal of
- 2 expanding the network of electric vehicle charging systems in
- 3 the State. To ensure that the program is keeping pace with
- 4 market and technology changes, periodic program adjustments may
- 5 be needed from time to time. Flexibility in program
- 6 implementation can help ensure that the program is adequately
- 7 and sufficiently deploying rebates to priority locations in
- 8 furtherance of the State's clean energy and carbon reduction
- 9 goals, including in multi-family dwellings, at workplaces that
- 10 can support daytime charging, in parking facilities that can
- 11 support the visitor industry's transition to clean
- 12 transportation, such as at hotels and rental car facilities, and
- 13 in areas that will help to make the purchase of an electric
- 14 vehicle a choice for Hawaii's low and moderate-income working
- 15 families. Expanding rebate eligibility to a wider variety of
- 16 electric vehicle charging systems can increase program
- 17 participation and accelerate charging system deployment.
- 18 The purpose of this Act is to:
- 19 (1) Provide a rebate for new Level 2 charging stations
- with one port;

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1	(2)	Amend and add flexibility to the guidelines for
2		consideration by the public utilities commission in
3		administering the program; and
4	(3)	Clarify that marketing and outreach expenses are
5		included among allowable program administration
6		expenses.
7	SECT	ION 2. Section 269-72, Hawaii Revised Statutes, is
8	amended t	o read as follows:
9	" [-[]	§269-72[] Electric vehicle charging system; rebate
10	program.	(a) The public utilities commission, in consultation
11	with elec	tric vehicle stakeholders and the state energy office,
12	shall adm	inister a rebate program that incentivizes the
13	installat	ion or upgrade of an electric vehicle charging system,
14	as provid	ed in this section, and may contract with a third-part
15	administr	ator pursuant to section 269-73 to operate and manage
16	the rebat	e program.
17	(b)	An applicant may be eligible for a rebate under the
18	rebate pr	ogram if the applicant:

(1) Installs a new electric vehicle charging system where

none previously existed to either:

1	(7	A)	An alternating current Level 2 station with [two]
2			one or more ports that provide electricity to
3			[two] one or more electric vehicles; or
4	(E	3)	A direct current fast charging system; or
5	(2) U <u>r</u>	pgra	des an existing electric vehicle charging system
6	to	o ei	ther:
7	(Z	A)	An alternating current Level 2 station with two
8			or more ports that provide electricity to two or
9			more electric vehicles; or
10	(E	3)	A direct current fast charging system.
11	(c) Si	ubj∈	ct to subsection (d), rebates shall be
12	distributed	as	follows:
13	(1) Ea	ach	eligible installation of an electric vehicle
14	cl	harg	ring system shall receive:
15	(7	<u>7)</u>	Up to \$2,000 for the installation of an
16			alternating current Level 2 station with one
17			port;
18	[-(A)) -]	(B) Up to \$4,500 for the installation of an
19			alternating current Level 2 station with two or
20			more ports; and

1	[(B)]	(C) Up to \$35,000 for the installation of a
2		direct current fast charging system; and
3	(2) Each	eligible upgrade of an electric vehicle charging
4	syste	em shall receive:
5	(A)	Up to \$1,300 for the upgrade to an alternating
6		current Level 2 station with one port;
7	[(A)]	(B) Up to \$3,000 for the upgrade to an
8		alternating current Level 2 station with two or
9		more ports; and
10	[(B)]	(C) Up to \$28,000 for the upgrade to a direct
1		current fast charging system.
12	((d) The	public utilities commission shall not issue more
13	than \$500,000	in total rebates under this section each fiscal
14	year.	
15	(e)] <u>(d)</u>	The public utilities commission shall:
16	(1) Prepa	are any forms that may be necessary for an
17	appl	icant to claim a rebate pursuant to this section;
18	and	
19	(2) Requi	ire each applicant to furnish reasonable
20	info	rmation to ascertain the validity of the claim,
21	incl	uding but not limited to documentation necessary

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              to demonstrate that the installation or upgrade for
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              which the rebate is claimed is eligible.
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          \left[\frac{f}{f}\right] (e) This section shall apply to electric vehicle
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    charging systems that are installed or upgraded after
    December 31, 2019.
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          \left[\frac{g}{g}\right] (f) Applicants shall submit applications to the
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    public utilities commission within twelve months of the date
    that the newly installed or upgraded charging system is placed
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    into service to claim a rebate from the electric vehicle
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    charging system rebate program. Failure to apply to the
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    commission within twelve months of the date that the newly
    installed or upgraded charging system is placed into service
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    shall constitute a waiver of the right to claim the rebate.
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    Rebates shall be subject to available funds and the program
    administrator shall not approve additional rebates for the
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    remainder of the fiscal year after program funds have been fully
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    exhausted.
          [<del>(h)</del>] (g) Nothing in this section shall alter taxes due on
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    the original purchase or upgrade price of an electric vehicle
    charging system prior to the application of the rebate. Any
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    rebate received pursuant to the electric vehicle charging system
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1	rebate pr	ogram shall not be considered income for the purposes
2	of state	or county taxes.
3	[(i)]	(h) In administering the electric vehicle charging
4	system rel	bate program, the public utilities commission shall
5	give cons	ideration to the following guidelines:
6	(1)	Priority should be given to electric vehicle charging
7		systems that are publicly available, serve multiple
8		tenants, employees, or customers, or serve electric
9		vehicle fleets $[+]$, support the visitor industry in
10		transitioning to clean transportation, and serve low-
11		income, moderate-income, and environmental justice
12		communities;
13	(2)	Electric vehicle charging system rebates should
14		enhance broader public clean energy and grid
15		resiliency goals by supporting deployment of electric
16		vehicle charging systems that can regulate their time
17		of use, be networked and co-optimized with other
18		electric vehicle charging systems, and otherwise

provide grid services or other benefits to the utility

and electric grid; [and]

1	(3)	Electric vehicle charging systems that serve a single
2		person, such as a reserved parking stall or a single-
3		family residence, shall not be eligible for
4		rebates[-] <u>;</u>
5	(4)	Electric vehicle charging system rebates should
6		support accessibility of charging to as many electric
7		vehicle drivers as feasible; and
8	(5)	The program administrator may propose new or modified
9		guidelines to be considered in addition to those
0		specified in this subsection and should have the
1		flexibility to make programmatic adjustments due to
12		market changes, technological advancements, and levels
13		of participation to ensure the prudent use of taxpayer
14		funds and to effectively manage the program budget.
15	[(j)] <u>(i)</u> As used in this section:
16	"Alt	ernating current Level 2 charging station", commonly
17	referred	to as "Level 2 charging station", means an electric
18	vehicle c	harging system that utilizes alternating current
19	electrici	ty providing at least three kilowatts and means a
20	system th	at:

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1	(1)	Is capable of providing electricity from a non-vehicle
2		source to charge the batteries of one or more electric
3		vehicles;
4	(2)	Meets recognized standards and protocols including,
5		but not limited to, Society of Automotive Engineers
6		(SAE) J1772 of SAE International and Tesla protocol;
7		and
8	(3)	Is designed and installed in compliance with article
9		625 of the National Electrical Code to appropriate
10		Nationally Recognized Testing Laboratories' standards.
11	"App	licant" means an individual; non-profit or for-profit
12	corporation	on; local, state, or federal government agency;
13	homeowner	association; or any other eligible entity as defined
14	under rul	es adopted for the electric vehicle charging system
15	rebate pr	ogram.
16	"Dir	ect current fast charging system", commonly referred to
17	as "DC fa	st charging system", means an electric vehicle charging
18	system th	at utilizes direct current electricity providing forty
19	kilowatts	or greater and:

1	(1)	Is capable of providing electricity from a non-vehicle
2		source to charge the batteries of one or more electric
3		vehicles;
4	(2)	Meets recognized standards and protocols, including,
5		but not limited to, Society of Automotive Engineers
6		(SAE) J1772 of SAE International, Tesla protocol, and
7		CHAdeMO protocol; and
8	(3)	Is designed and installed in compliance with article
9		625 of the National Electrical Code to appropriate
10		Nationally Recognized Testing Laboratories' standards.
11	"Ele	ctric vehicle charging system" has the same meaning as
12	Electric	Vehicle Supply Equipment as defined in article 625.2 of
13	the Natio	nal Electrical Code, as amended."
14	SECT	ION 3. Section 269-73, Hawaii Revised Statutes, is
15	amended b	y amending subsection (a) to read as follows:
16	"(a)	The public utilities commission may contract with a
17	third-par	ty administrator to operate and manage any programs
18	establish	ed under section 269-72. The administrator shall not
19	be deemed	to be a "governmental body" as defined in section
20	103D-104;	provided that all moneys transferred to the third-
21	party adm	inistrator shall have been appropriated by the

- 1 legislature or shall be from funds provided by the federal
- 2 government or private funding sources. The administrator shall
- 3 not expend more than [ten] fifteen per cent of the amounts
- 4 appropriated for the rebate program or other reasonable
- 5 percentage determined by the public utilities commission for
- 6 administration of the programs established under section 269-72.
- 7 Program administration expenses may include marketing and
- 8 outreach expenses to increase program participation, if needed."
- 9 SECTION 4. Statutory material to be repealed is bracketed
- 10 and stricken. New statutory material is underscored.
- 11 SECTION 5. This Act shall take effect on July 1, 2022.

Report Title:

Electric Vehicle Charging Stations; Rebate; Public Utilities Commission

Description:

Allows for new electric vehicle charging stations and certain upgrades having a single port to qualify for a rebate. Increases flexibility of the Public Utilities Commission to administer the electric vehicle charging station rebate program. Allows for marketing and outreach expenses to be included within allowable administration costs of the electric vehicle charging station rebate program. (SD1)

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