

JAN 27 2021

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 the human-induced
2 global climate crisis requires thoughtful but bold response on
3 many fronts to make Hawaii communities resilient to the impacts
4 of climate change that threaten the very survivability of these
5 fragile islands. To avoid Hawaii losing its leadership position
6 in meeting the future of labor, justice, and equity, the
7 legislature embraces green new deals that focus on decarbonizing
8 Hawaii's systems of food, energy, and transportation and
9 sequestering carbon through systems of agriculture, waste
10 management, and ecosystem restoration. This solid foundation
11 finds synergies with expanded access to health, housing, and
12 education, multiplying good jobs and ensuring justice and equity
13 for Hawaii's citizens.

14 The legislature also finds that as a result of pursuing its
15 goal to reach one hundred per cent renewable energy by 2045,
16 Hawaii now leads other states in nearly every category of
17 renewable energy. Approximately twenty-six per cent of



1 electricity in the State is generated from renewable energy and
2 there are sixty utility-scale renewable energy projects feeding
3 into the State's power grids. Notwithstanding such progress,
4 the State continues to depend heavily upon imported petroleum
5 for its energy needs and fall short of its ambitious renewable
6 energy goals. The legislature additionally finds that the State
7 must continue to support established renewable energy sources
8 that do not create significant greenhouse gas emissions and
9 those emerging from new technological innovations to meet the
10 State's expansive renewable energy goals.

11 The legislature finds that the production of clean
12 electricity may be encouraged if government agencies, as sellers
13 of clean electricity, are allowed to engage in intra-
14 governmental wheeling, in which electric power is transmitted
15 from one agency's power of generation to the facilities of other
16 governmental agencies over the existing transmission lines of a
17 third-party electric public utility. The State and other
18 government entities, such as the counties, could acquire clean
19 electricity by purchasing it from a clean electricity project
20 developer then transmitting it, across utility lines owned and



1 maintained by an existing electric utility, to the government
2 agency or another government agency.

3 The purpose of this Act is to authorize government agencies
4 to wheel electricity that is produced by their own facilities
5 from renewable energy sources, subject to disallowance by the
6 public utilities commission.

7 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
8 amended by adding a new section to be appropriately designated
9 and to read as follows:

10 "§269- Wheeling; renewable energy; government agencies;
11 rules. (a) A government agency may engage in wheeling of
12 electricity produced at its own facilities from renewable
13 sources.

14 (b) The public utilities commission may disallow a
15 wheeling project if the commission determines that the project
16 is either:

- 17 (1) Detrimental to an electric company; or
18 (2) Not in the public interest.

19 (c) The public utilities commission shall adopt rules
20 pursuant to chapter 91 to implement this section.



1 (d) For the purposes of this section, "wheeling" means
2 transmitting electric power from one governmental agency's point
3 of generation to the facilities of other governmental agencies
4 over the existing transmission lines of a third-party electric
5 public utility."

6 SECTION 3. New statutory material is underscored.

7 SECTION 4. This Act shall take effect upon its approval.

8

INTRODUCED BY:

G.J. Rivera



S.B. NO. 1371

Report Title:

Public Utilities Commission; Governmental Wheeling; Clean Energy

Description:

Authorizes government agencies to wheel electricity that is produced by their own facilities from renewable energy sources to another agency's facilities, subject to disallowance by the public utilities commission.

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