



Honolulu, Hawaii

FEB 05 , 2024

RE: H.B. No. 1687

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1687 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY RESILIENCY,"

begs leave to report as follows:

The purpose of this measure is to require full retail crediting, whereby energy exported to the electrical grid past a participating customer-generator's point of common coupling from photovoltaic solar systems paired with battery storage as a part of a utility-controlled grid would be credited at the full retail rate of electricity for the relevant time period.

Your Committee received testimony in support of this measure from Clean the Pacific; Recycle Hawaii; Kauai Climate Action Coalition; Surf rider Foundation, Kauai Chapter; Hawaii Food Industry Association; Chamber of Sustainable Commerce; Climate Protectors Hawai'i; 350Hawaii.org; Photonworks Engineering; Inception Financial LLC; PV Tech; SunPower Corporation; Meyer Burger Americas; Hawaii Solar Energy Association; Alternate Energy Inc.; Greenpeace Hawaii; Solar Help Hawaii; Green Power Projects LLC; Sunnova Energy International, Inc.; LegaSea Energy; Elcco Electric; Sunrun; Independent Energy; Hawaii Regional Council of Carpenters; Sunspear Energy, LLC; The Solaray Corporation dba Inter-Island Solar Supply; and numerous individuals. Your Committee received testimony in opposition to this measure from



the Kaua'i Island Utility Cooperative and Hawaiian Electric. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Hawaii State Energy Office; and Public Utilities Commission.

Your Committee finds that Hawaii has become a global leader in the installation of customer-sited distributed energy resources such as rooftop solar and battery energy storage. Your Committee further finds that distributed energy resources offer a cost-effective option for building resiliency and reliable power systems. Your Committee believes that this measure incentivizes customer investments in resiliency by requiring retail crediting for energy exports enrolled in grid services programs.

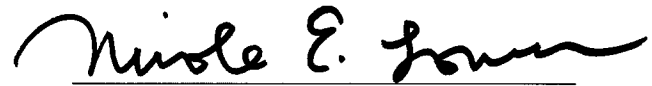
Your Committee has amended this measure by:

- (1) Changing the statutory placement of the retail crediting provisions to a more appropriate chapter—chapter 269, Hawaii Revised Statutes, relating to the Public Utilities Commission;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1687, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1687, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 1687	Committee Referral: EEP, CPC, FIN	Date: 01/30/2024		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega				✓
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.	✓			
6. WOODSON, Justin H.	✓			
7. WARD, Gene				✓
TOTAL (7)	5			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation.				
Vice Chair's or designee's signature: <i>Elle Cochran</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				