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# A BILL FOR AN ACT

RELATING TO ELECTRIC ENERGY.

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

1           SECTION 1. The legislature finds that the public utilities  
2 commission relies on bill impact analyses prepared and modeled  
3 by electric utilities for proposed energy projects that estimate  
4 residential customer bill impacts to evaluate affordability.  
5 Electric utilities routinely submit customer bill impact  
6 analyses to the public utilities commission in applications for  
7 approval of energy generation power purchase agreements and  
8 other major resource additions, which inform the commission's  
9 public-interest determinations. However, in generation-related  
10 proceedings, these analyses rely heavily on assumptions  
11 developed by the electric utilities that are not fully disclosed  
12 to ratepayers. Instead, ratepayers are typically presented only  
13 with an estimated monthly dollar impact for a residential  
14 customer using five hundred kilowatt hours per month, with  
15 little to no transparency of the assumptions, calculations, or  
16 modeling underlying those estimates, limiting meaningful



1 evaluation of the appropriateness of the utilities' bill impact  
2 analyses.

3       The legislature further finds that according to the United  
4 States Energy Information Administration, Hawaii's cost of  
5 electric energy for residential, commercial, and industrial  
6 ratepayers consistently ranks the highest in the nation, despite  
7 progress made toward integrating renewable energy resources into  
8 the electric system in a manner intended to improve  
9 affordability. Previously contracted energy generation and  
10 energy storage projects that have been delayed or terminated due  
11 to inflation, supply chain constraints, and changes in federal  
12 incentives have only exacerbated this affordability problem.  
13 Additionally, long-range utility forecast changes materially  
14 affect projected resource needs, costs, and rates. As a result,  
15 failure to disclose and update the assumptions behind customer  
16 bill impact projections prevents ratepayers from evaluating and  
17 determining whether a proposed project is in the public interest  
18 and whether the projected bill impacts are reasonable, current,  
19 and accurate.

20       The legislature also finds that access to and transparency  
21 of assumptions, methodology, and outputs of the bill impact



1 analyses can empower ratepayers, increase cost-effectiveness,  
2 enable economic analysis for affordability, improve  
3 decision-making, maximize the value of investments and  
4 technologies, promote economic development, improve operational  
5 efficiency, and assist in evaluating grid stabilizing  
6 investments. Additionally, annual reporting and examination of  
7 actual monthly dispatch and levelized cost of energy data based  
8 on such dispatch are practical and highly useful for  
9 transparency and comparison purposes.

10 Therefore, the purpose of this Act is to require electric  
11 utilities, excluding electric cooperatives, to:

- 12 (1) Maintain an online bill impact analysis tool for  
13 electric generation projects that provides full  
14 disclosure to ratepayers of the top-level assumptions  
15 used to calculate the per-project impact on customer  
16 bills; and  
17 (2) Submit an annual report to the public utilities  
18 commission.

19 SECTION 2. Section 269-47, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           " ~~[+]§269-47[+]~~ **Electric ~~[power-systems]~~ generation**  
2 **projects data access and transparency; principles.** (a) The  
3 commission, in carrying out its responsibilities under this  
4 chapter, shall consider the value of improving electric ~~[power~~  
5 ~~systems]~~ generation projects data access and transparency within  
6 the State ~~[in-order]~~ to empower ratepayers, improve decision-  
7 making related to reliability and operational efficiency of the  
8 electric system, maximize the value of grid modernization  
9 technologies and investments, and promote innovation and  
10 economic development opportunities related to electric ~~[power~~  
11 ~~systems]~~ generation projects data analysis.

12           (b) In advancing the public interest, the commission shall  
13 balance consumer privacy, critical infrastructure security, grid  
14 modernization, and economic innovation considerations associated  
15 with electric ~~[power-systems]~~ generation projects data access  
16 and transparency, including but not limited to the following  
17 principles:

- 18           (1) Enabling ratepayers to access their energy consumption
- 19                     and production data;



- 1           (2) Enabling ratepayers to authorize third-party data  
2           access, and allow verification of third-party  
3           authorization through electronic signature;
- 4           (3) Increasing the amount of publicly-available data  
5           related to utility generation, transmission, and  
6           distribution systems, as well as non-utility data from  
7           third parties that provide generation or non-wire  
8           alternatives to individual customers or the grid; and
- 9           (4) Ensuring that electric [~~power systems~~] generation  
10           projects data is made available through simple,  
11           electronic, consistent, machine-readable formats with  
12           temporal and geographic granularity.
- 13           (c) In addition to any requirements under this chapter,  
14           each electric utility that sells electricity for consumption in  
15           the State shall maintain an online bill impact analysis tool for  
16           electric generation projects that provides full disclosure to  
17           ratepayers of the top-level assumptions used to calculate the  
18           per project impact on customer bills. For electric generation  
19           projects with an impact below an applicable threshold, as  
20           determined by the commission by rule or order, each electric



1 utility shall represent those generation projects in a set of  
2 categories, in summation, as determined by the electric utility.

3 (d) The bill impact analysis disclosure required under  
4 subsection (c) shall be available for download in an electronic  
5 format reasonably usable by ratepayers and others and, for  
6 purposes of reviewing and analyzing the underlying top-level  
7 assumptions and calculations, shall be sufficient to allow  
8 sensitivity analysis and scenario testing. The bill impact  
9 analysis shall include but not be limited to resource  
10 assumptions, project assumptions, and top-level modeling.

11 (e) For the submitted bill impact analysis disclosure data  
12 required under this section:

13 (1) The data shall be made available through simple,  
14 electronic, consistent, machine-readable formats with  
15 temporal granularity in an electronic format  
16 reasonably usable by ratepayers and others and, for  
17 purposes of reviewing and analyzing the top-level  
18 assumptions and calculations, shall be sufficient to  
19 allow sensitivity analysis and scenario testing; and

20 (2) The information shall be made publicly available  
21 without redaction, except for data that the commission



1 determines to be confidential for reasons of  
2 cybersecurity or system security; provided that  
3 confidentiality shall not apply to cost, pricing, or  
4 operational assumptions necessary for ratepayer  
5 understanding; provided further that in response to a  
6 public record request, the redacted information may be  
7 withheld only to the extent authorized by chapter 92F.

8 (f) The electric utility shall update the bill impact  
9 analysis required under this section if any material assumption  
10 changes, including but not limited to project retirements and  
11 operational cost changes included in the analysis.

12 (g) Each electric utility shall submit an annual report to  
13 the commission of the levelized costs for energy generation and  
14 storage regarding the actual monthly dispatch and levelized cost  
15 based on the dispatch for all approved and operating energy  
16 generation and storage projects. The report shall include:

17 (1) The total energy dispatched from each energy project  
18 by month;

19 (2) The total cost incurred for each energy project by  
20 month;



1       (3) The calculation of the levelized cost of energy for  
2       each project based on actual dispatch and in dollars  
3       per kilowatt hour based on the dispatch; and

4       (4) Any adjustments or reconciliations applied to  
5       determine ratepayer charges.

6       (h) Subsections (c), (d), (e), (f), and (g) shall not  
7       apply to an electric cooperative.

8       For the purposes of this subsection, "electric cooperative"  
9       means a public utility that satisfies the requirements under  
10       section 269-31(c)."

11       SECTION 3. Statutory material to be repealed is bracketed  
12       and stricken. New statutory material is underscored.

13       SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

PUC; Electric Utilities; Bill Impact Analyses; Customer  
Transparency; Ratepayers; Reports

**Description:**

Requires electric utilities, excluding electric cooperatives, to maintain an online bill impact analysis tool for electric generation projects that provides full disclosure to ratepayers of the top-level assumptions used to calculate the per-project impact on customer bills. Requires electric utilities to submit an annual report to the Public Utilities Commission. Effective 7/1/3000. (HD1)

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