



JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 1-844-808-DCCA (3222)
Fax Number: (808) 586-2856
cca.hawaii.gov

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Energy & Environmental Protection
Thursday, February 12, 2026
9:45 a.m.
Via Videoconference

On the following measure:
H.B. 2242, RELATING TO RENEWABLE ENERGY

Chair Lowen and Members of the Committee:

My name is Michael Angelo, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department offers comments on this bill.

The purpose of this bill is to: (1) require the Public Utilities Commission (Commission) to establish a streamlined grid-ready homes interconnection process; (2) authorize the use of the Hawai'i electricity reliability surcharge for cost recovery of certain expenses of the Hawai'i Electricity Reliability Administrator associated with the grid-ready homes interconnection process; (3) require a report to the Commission on the grid-ready homes interconnection process; and (4) set an effective date of 1/1/2027.

The Department appreciates the bill's intent to facilitate the State's transition to renewable energy and fully supports the commitment to achieving the clean energy goals of Act 97, Session Laws of Hawaii 2015. The Department agrees that a process to further expedite the interconnection of distributed energy resources and electrification technologies could facilitate the transition to a clean energy economy provided that these

technologies verifiably meet certain critical safety and reliability standards and requirements for interconnecting.

However, the Department offers that processes to help expedite interconnection of customer sited energy resources are most effectively reviewed in Commission driven stakeholder processes to help ensure that utility customer and grid safety and reliability and maintained. Additionally, the Department has significant customer equity concerns about the cost sharing provision in this bill (i.e., proposed Hawaii Revised Statutes (HRS) § 269-142(d)(2), on pages 5-6) and opposes this section of the bill. The cost-sharing provision would require the utility to cover the costs of electrical service upgrades and interconnection costs that would otherwise be the responsibility of the individual utility account holder (e.g., homeowner, business owner, etc.) seeking the upgrade. The costs of upgrading electrical service can be significant. For example, one estimate to upgrade a residential home's electric panel to 400 amp service ranged between \$2,000 - \$4,000 and a service upgrade (including utility work) ranged between \$4,000 - \$6,000.¹ To put this in perspective, the cost sharing provision of this bill for a typical residential sized solar system (i.e., less than twenty-five kilowatts) is only a \$50 contribution from the utility customer. This leaves the rest of customers paying for the additional costs, which although initially covered by the utility, would likely ultimately be passed onto utility customers. Residential utility customers in Hawaii have the highest average electric utility bill and lowest average electricity usage in the entire country.² Customers cannot afford to pay for someone else's electrical upgrades. Thus, the proposed HRS § 269-142(d)(2) should be struck from the bill.

The Department also notes that that the electric utility ultimately is held accountable for the safety and reliability of the grid. Electric utilities have well-established interconnection standards to help ensure customer-sited generation and storage are safely interconnected to the grid and support continued reliability of the grid. Any process

¹ [https://www.luminsmart.com/blog/real-cost-electrical-service-and-main-panel-upgrades#:~:text=The%20Real%20Cost%20of%20Electrical%20Service%20and,quickly%20increase%20to%20\\$10%2C000+%20in%20some%20cases.](https://www.luminsmart.com/blog/real-cost-electrical-service-and-main-panel-upgrades#:~:text=The%20Real%20Cost%20of%20Electrical%20Service%20and,quickly%20increase%20to%20$10%2C000+%20in%20some%20cases.)

² https://www.eia.gov/electricity/sales_revenue_price/pdf/table_5A.pdf

Testimony of DCCA

H.B. 2242

Page 3 of 3

that envisions expedited permitting of interconnection based on equipment complying with specific safety standards or certifications must be thoroughly vetted to ensure it complies with the electric utility's interconnection requirements.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
465 S. KING STREET, #103
HONOLULU, HAWAII 96813

JON S. ITOMURA
CHAIR

NAOMI U. KUWAYE
COMMISSIONER

COLIN A. YOST
COMMISSIONER

Telephone: (808) 586-2020
Facsimile: (808) 586-2066

Website: puc.hawaii.gov
E-mail: puc@hawaii.gov

Testimony of the Public Utilities Commission

To the
House Committee on
Energy & Environmental Protection

February 12, 2026
9:45 a.m.

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Measure: H.B. No. 2242
Title: RELATING TO RENEWABLE ENERGY.

Position:

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

Comments:

The Commission supports the intent of this measure to establish streamlined and transparent interconnection processes for residential customers.

While the Commission supports efforts to expedite the interconnection of distributed energy resources, the Commission has concerns because establishing the prescribed process in this measure would require considerable time and resources among various parties and stakeholders to determine the costs of significant infrastructure upgrades necessary for interconnection. Currently, issues relating to residential interconnection timelines will be considered in a new docket. This measure refers to “grid-ready homes”. The Commission is unclear whether “grid-ready homes” are a subset of the residential stock or refers broadly to any home equipped with distributed energy resources or energy efficiency technology. For example, Governor Green’s recent Executive Order No. 25-01 refers to “Zero Energy Ready Homes,” a term applying only to new single-family projects. It is also unclear at present if this measure seeks to expedite current queues or establish new procedures for a subset of interconnection cases.

Furthermore, this measure contemplates the role of a Hawaii Electricity Reliability Administrator (“HERA”) to facilitate the implementation of this customer-sited interconnection process. The Commission has procured a consultant to serve as the

HERA, and the HERA's scope of work will focus on interconnection queues for utility-scale projects, not residential interconnection queues. The costs and wait times associated with interconnection are an ongoing concern in utility-scale procurement, ultimately threatening overall grid reliability, so it is crucial that the Commission be afforded time to determine all details of utility-scale interconnection process implementation.

Given the above, if the Committee decides to move forward with this initiative, the Commission recommends that the legislature allow the Commission and its stakeholders an opportunity to fully examine and collaborate on establishing a streamlined grid-ready homes interconnection process. Within 180 days of the effective date of this legislation, the Commission would report to the legislature with proposed steps and a timeline on how to best achieve the objectives intended by this measure.

Thank you for the opportunity to testify on this measure.

.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION**

**HB 2242
Relating to Renewable Energy**

Thursday, February 12, 2026
9:45 AM

State Capitol, Conference Room 325 & Videoconference

Dear Chair Lowen, Vice Chair Perruso, and Members of the Committee,

Hawaiian Electric is testifying in **opposition** to HB 2242, relating to a “grid-ready homes” interconnection process.

Hawaiian Electric supports the intent of this bill -- to continue to grow Distributed Energy Resources (“DER”) in Hawaii, and develop a streamlined interconnection process for customers. Hawaii leads the nation in the adoption of DERs, yet the Company understands that we need to continue to grow DERs going forward. They are necessary to achieve our clean energy goals and to provide options to our customers to better manage their electric bills, have resiliency at their homes and businesses, and contribute to Hawaii’s clean energy future.

However, this bill appears to require a streamlined approval process solely based on the DERs using UL 1741 and UL3141 or equivalent certified functionality. While these types of equipment certifications are important and provide confirmation that inverters meet stringent technical and safety standards, the utility needs to review more information about the system to safely interconnect the system to the Company’s grid. Specifically, in Hawaiian Electric’s interconnection process, the Company reviews the advanced inverter qualifications and whether the total electric grid (system-level) and

the neighboring area (distribution-level) can accept the proposed size of the DER. This bill would appear to undermine the interconnection review and approval process that is needed for the Company to ensure safe interconnections and reliable service to all customers. It is worth noting that the Company has continued to perform exceptionally well in this area as evidenced by its consistent achievement during the entire four-year duration (2021-2024) of a performance incentive mechanism (“PIM”) specifically designed by the Public Utilities Commission and stakeholders to improve DER interconnection approval timelines. For this reason, the interconnection timelines required by this bill are not necessary and appear arbitrary. The interconnection PIM will be holistically evaluated and potentially modified this year by the Commission and stakeholders, which is the better forum and process to determine any lower interconnection timelines.

In addition, this bill appears to focus on streamlining the Company’s service upgrade process. On this issue, the Company has multiple questions about the proposals in the bill. It is not clear how the proposed costs for upgrades were based, and which entity would receive those funds. The bill would require that upgrades be made within three months, but it does not clarify when the starting point of that timeframe would be. The Company has had multiple discussions with the solar industry on the service upgrade process. The Company submits that improvements to the process are better made through the collaborative process rather than through legislation.

HB 2242 would also allow the use of the Hawaii electricity reliability surcharge to recover costs related to the streamlined interconnection process and the work of the Hawaii Electricity Reliability Administrator (“HERA”). As mentioned above, while the

Company supports the intent of this bill, it opposes the process proposed by the bill and submits that HERA is not needed to oversee such a process as it would likely expand HERA's scope of work. The Company further notes that any use of the Hawaii electricity reliability surcharge and expansion of HERA's scope would result in additional costs to Hawaiian Electric customers, which would contravene the State's focus on affordability, and is not the most cost-effective way to achieve the goals stated in this bill.

Accordingly, Hawaiian Electric **opposes** HB 2242. Thank you for this opportunity to testify.

HB-2242

Submitted on: 2/10/2026 1:42:17 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Schopen	Alternate Energy Inc	Support	Written Testimony Only

Comments:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

HB-2242

Submitted on: 2/10/2026 1:51:41 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
PAUL OREM	Photonworks Engineering	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

Paul Orem Photonworks Engineering LLP

HB-2242

Submitted on: 2/10/2026 1:53:58 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Alan Lennard	Green Power Projects LLC	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

Thank you

Alan Lennard

HB-2242

Submitted on: 2/10/2026 2:11:54 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Neal Martin	ELCCO Inc.	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

HB-2242

Submitted on: 2/10/2026 2:58:05 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Cruz Romero	HI-POWER Solar LLC.	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

Cruz Romero
Vice President



Testimony Before the House Committee on Energy & Environmental Protection

By Scott Sato
Government Affairs & Energy Services Manager
Kaua'i Island Utility Cooperative
4463 Pahe'e Street, Suite 1, Lihu'e, Hawai'i, 96766-2000

Thursday, February 12, 2026; 9:45 am
Conference Room #325 & Videoconference

House Bill No. 2242 – RELATING TO RENEWABLE ENERGY

To the Honorable Chair Nicole E. Lowen, Vice Chair Amy A. Perruso, and Members of the Committee:

Kaua'i Island Utility Cooperative (KIUC) is a not-for-profit utility providing electrical service to more than 34,000 commercial and residential members.

KIUC wishes to provide comments on this measure.

Over the past 10 years, KIUC has significantly increased its renewable generation. In 2010, KIUC's energy mix included 10% renewable. Renewable production now stands at roughly 50%. For the past five years, KIUC has operated the Kaua'i electric grid at 100% renewable for thousands of hours on sunny days. KIUC's renewable mix currently includes biomass, hydropower, utility-scale solar, utility-scale paired with battery energy storage systems, and distributed (rooftop) solar.

This bill seeks to provide a customer-friendly process to enable widespread adoption of distributed energy resources and electrification technologies. In general, KIUC supports providing a variety of options for managing energy use to our members.

As the bill is currently written, KIUC has concerns regarding the following:

- **Cost of service.** The bill as currently written underestimates the cost of service and/or facility upgrades. A \$50 charge does not cover our existing processing fee, let alone a service upgrade.
- **Review timeframe.** KIUC does not believe that the timeframe for review is reasonable.
- **Deadline for completion.** The bill as currently written mandates a strict deadline for completing upgrades of 3 months. Based on current workload and operational priorities such as grid hardening and wildfire mitigation, this timeframe may not be achievable for a cooperative of our size based on available resources.
- **Field check process.** The proposed process bypasses our current field check process, which would not allow KIUC to verify that the information provided on the customer's plan is consistent with what is installed. This is especially important for a grid of our size and could have a potential negative impact on grid operations, reliability and safety.
- **Grid access.** As currently written, the section related to allowing licensed electricians the ability to isolate service at the meter is problematic. It mentions that the utility is required to notify the customer of the disconnect, but does not specify the notification required from the "licensed electrician" to the utility. This seems out of place and may contradict KIUC's current requirements.

- **KIUC's current Interconnection Agreement.** Several of the proposed changes conflict with the standards and timeframes within KIUC's current Interconnection Agreement. If these changes are put into place, it would require a complete overhaul of KIUC's Interconnection Agreement in collaboration with the Hawai'i Public Utilities Commission.

Aside from these concerns, KIUC's interconnection and utility service upgrade process has been designed to be as streamlined and "user friendly" as possible. When the applicant provides all necessary information and materials up front, the process can usually be completed within 30 days. This process ensures that KIUC can thoroughly review application materials and electrical drawings to ensure that the system can safely be connected to the grid. While extended timelines for approvals and application processing delays may be routine on O'ahu, that is not the case on Kaua'i.

If this bill is to be approved, KIUC would like to respectfully ask that this bill not apply to a member-owned electric cooperative as it could have a potentially significant impact on our relatively small grid. We offer the following amendments for consideration:

Page 7. Line 12: Insert the following:

(6) This section shall not apply to a member owned electric cooperative.

Page 9, Line 6: Insert the following:

(3) This section shall not apply to a member owned electric cooperative

Thank you for the opportunity to provide comments on this measure. Mahalo for your consideration.

HB-2242

Submitted on: 2/10/2026 4:50:56 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Rachel Ah Sue	Malama Solar	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members,

I strongly support HB2242.

Current interconnection and service upgrade processes are often outdated and reactive, resulting in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by establishing clearer timelines, improving transparency around cost-sharing, and modernizing interconnection standards so that customer investments better align with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

**Testimony of the Hawaii Solar Energy Association (HSEA) Regarding HB2242, Relating to Renewable Energy, Before the House Committee on Energy and Environmental Protection
Thursday, February 12, 2026**

Dear Chair Lowen, Vice Chair Perruso, and Members of the Committee:

The Hawaii Solar Energy Association (HSEA) **strongly supports HB2242**, which establishes a streamlined **grid-ready home interconnection process** to accelerate adoption of distributed energy resources (DERs) and electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

HSEA is a non-profit trade association founded in 1977, representing local solar contractors and clean energy companies as well as global cleantech companies, equipment manufacturers, and other service providers doing business in Hawaii.

Hawaii's transition to a 100% renewable electricity system under Act 97 (2015) depends on rapid, cost-effective deployment of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies. However, outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 directly addresses these barriers by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

Creating grid-ready homes is a low-cost, high-impact solution. By enabling faster deployment of customer-sited renewable generation and storage, this bill helps reduce reliance on imported fossil fuels, defer or avoid costly grid infrastructure upgrades, and lower long-term system costs for all ratepayers. The bill's tiered cost-sharing framework appropriately balances customer affordability with utility cost recovery and provides for periodic review to ensure fees remain reasonable and grounded in actual costs.

HB2242 also supports Hawaii's clean energy workforce and local economy by reducing soft costs, improving project certainty, and enabling licensed contractors and electricians to work more efficiently. At the same time, its emphasis on smart inverter functionality, managed



Hawaii Solar Energy Association
Serving Hawaii Since 1977

export and import, and virtual commissioning strengthens grid reliability, affordability, and resilience as Hawaii transitions its electrical grid in accordance with State policy.

Suggested Amendments:

In the attached appendix to this testimony, we offer some suggested amendments to 1) clarify the definition of grid-ready homes and the intent of the bill to affect retrofits as well as new homes; 2) make clear that the cost sharing mechanism will only be paid by interconnecting customers and that cost causation principles apply; 3) ensure HB2242 fully reflects modern grid-interactive electrification technologies, including for electric vehicles, vehicle-to-grid, and vehicle-to-home capabilities; and 4) remove the Hawaii Electric Reliability Administrator (HERA) provisions.

HB2242 is a practical, forward-looking measure that advances Hawaii's clean energy, affordability, and resilience goals while maintaining grid reliability. HSEA urges the Committee to pass HB2242, with the suggested amendment.

Mahalo for the opportunity to testify in strong support.

Sincerely,

/S/ Rocky Mould

Executive Director

A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

SECTION 1. The legislature finds that pursuant to Act 97, Session Laws of Hawaii 2015, Hawaii has committed to achieving a one hundred per cent renewable portfolio standard by December 31, 2045. This transition away from imported fossil fuels toward locally available renewable energy sources is critical for ensuring the State's energy independence, economic sustainability, and environmental resilience.

The legislature further finds that the transition to a clean energy economy requires customer-friendly processes to enable widespread adoption of distributed energy resources and electrification technologies. Current interconnection and utility service upgrade processes have at times led to delays, unexpected costs, and increased customer dissatisfaction, hindering progress toward achieving the State's clean energy goals. These challenges also result in localized power quality issues and power outages when customers increase loads without informing the utility.

The legislature finds that establishing streamlined and transparent interconnection processes will encourage consumer adoption, enable proactive utility planning, and ensure reliability and cost-effectiveness in the power system. The integration of smart inverters and other customer-sited technologies is critical to minimizing grid investments and achieving a clean, sustainable energy future.

Accordingly, the purpose of this Act is to establish a grid-ready home interconnection process that supports the rapid adoption of clean energy technologies, facilitates smart utility investments, and ensures power system reliability by retrofitting existing homes or building new homes with "grid ready" capabilities.

SECTION 2. Section 269-141, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

"Grid-ready home" means any residential property equipped with, or modified to anticipate and streamline, the integration of clean electrification technologies such as electric vehicle chargers and heat pumps, distributed energy resources such as photovoltaic systems, energy storage batteries leveraging current national standards for functionality such as Underwriters Laboratories (UL) 1741 and UL 3141, and advanced grid modernization technology."

SECTION 3. Section 269-142, Hawaii Revised Statutes, is amended to read as follows:

"[+]§269-142[+] Reliability standards; interconnection requirements; adoption and development; force and

effect. (a) The commission may adopt, by rule or order, reliability standards and interconnection requirements. Reliability standards and interconnection requirements adopted by the commission shall apply to any electric utility and any user, owner, or operator of the Hawaii electric system. The commission shall not contract for the performance of the functions under this subsection to any other entity as provided under section 269-147.

(b) The commission may develop reliability standards and interconnection requirements as it determines necessary or upon recommendation from any entity, including an entity contracted by the commission to serve as the Hawaii electricity reliability administrator provided for under this part, for the continuing reliable design and operation of the Hawaii electric system. Any reliability standard or interconnection requirement developed by the commission shall be adopted by the commission in accordance with subsection (a) [~~in order~~] to be effective. The commission shall not contract for the performance of the functions under this subsection to any other entity as provided under section 269-147.

(c) The commission shall have jurisdiction over matters concerning interconnection requirements and interconnections located in the State between electric utilities, any user, owner, or operator of the Hawaii electric system, or any other person, business, or entity connecting to the Hawaii electric

system or otherwise applying to connect generation or equipment providing ancillary services to, or operate generation and equipment providing ancillary services in parallel with the Hawaii electric system under processes established in accordance with section 269-145. Nothing in this subsection is intended to give the commission general supervision authority over any user, owner, or operator of the Hawaii electric system or any other person, business, or entity that is not a public utility as defined in section 269-1.

(d) The commission shall establish a streamlined grid-ready home interconnection process to equip existing and new homes with customer-sited and grid-tied renewable energy generation and storage systems. The process shall include:

(1) A streamlined notification and approval process for customers seeking to install distributed energy resources systems using Underwriters Laboratories (UL) 1741, UL 3141, or equivalent certified functionality;

(2) A tiered cost-sharing mechanism to facilitate payment by interconnecting customers for service upgrades and interconnection costs attributable to their installation, consistent with applicable cost causation principles, to be paid by the owner of the customer generating facility as follows:

- (A) \$50 for a customer generating facility with a capacity of not more than twenty-five kilowatts;
- (B) \$5 per kilowatt for a customer generating facility with a capacity of greater than twenty-five kilowatts and not more than one hundred kilowatts; and

(C) \$10 per kilowatt for a customer generating facility with a capacity of greater than one hundred kilowatts;

provided that the cost-sharing schedule shall be reviewed and may be adjusted every six months upon approval by the commission, based on the actual costs of service upgrades completed by the public utility during the preceding two years to facilitate interconnection;

provided further that for the purposes of this paragraph, "customer generating facility" means a customer-sited and grid-tied renewable energy generation and storage system;

provided further that nothing in this paragraph shall be construed to modify, waive, or shift established cost causation principles, and interconnecting customers shall remain responsible for the reasonable and necessary grid upgrade costs caused by their interconnecting project,

(3) Procedural timelines for public utility action, including requiring the public utility to:

(A) Notify the customer applying for interconnection that their application is complete or if not, the specific information that is missing no later than five business days after receipt of the application;

(B) Provide the customer an executable interconnection agreement no later than five business days after confirming the completeness of the interconnection application; and

(C) Provide the customer a fully executed interconnection agreement, process and necessary notifications, and grant interconnection, no

later than five business days after receiving the customer's executed interconnection agreement and verifying that all required permits have been issued by the appropriate authority;

(4) Provisions to allow distributed energy resources operation with managed power export and import where service upgrades are required; provided that the upgrades shall be completed within three months of **notification to the interconnecting customer by the public utility**; and

(5) Protocols for virtual commissioning and issuing of interconnection agreements within one week of the submission of a commissioning packet."

(6) Requirements obligating regulated utilities to update their interconnection rules to allow for the interconnection and utilization of vehicle-to-grid and vehicle-to-home capable electric vehicles and electric vehicle charging equipment, including recognition of applicable national safety and interoperability standards, such as UL 1741 and other relevant certifications, to enable electric vehicles to provide grid services, backup power, and load management functionality.

SECTION 4. Section 269-145, Hawaii Revised Statutes, is amended to read as follows:

"[+]§269-145[+] Grid access; procedures for interconnection; dispute resolution. (a) Each user, owner, or operator of the Hawaii electric system, or any other person, business, or entity seeking to make an interconnection on the Hawaii electric system shall do so in accordance with procedures to be established by the commission by rule or order.

(b) The commission shall have the authority to make final determinations regarding any dispute between any user, owner, or operator of the Hawaii electric system, or any other person, business, or entity connecting to the Hawaii electric system,

concerning either an existing interconnection on the Hawaii electric system or an interconnection to the Hawaii electric system created under the processes established by the commission under this section.

(c) In establishing a rule or order for the utility interconnection process for renewable energy and storage systems for grid-ready homes, the commission shall ensure the process:

(1) Allows licensed electricians to isolate electrical service at utility meters for meter panel replacement, meter socket adapter installation, or main panel upgrades; provided that access shall be subject to:

(A) Notification by the public utility to the owner of the grid-ready home of the planned service disconnection on the morning of the planned service disconnection;

(B) Confirmation of passed inspections by the appropriate authority; and

(C) Confirmation of reconnection procedures; and

(2) Establishes a virtual commissioning process whereby system installers may submit documentation confirming compliance with filed settings and operational requirements of the installed distributed energy resources."

SECTION 5. Section 269-145.5, Hawaii Revised Statutes, is amended to read as follows:

"§269-145.5 Advanced grid modernization technology; principles. (a) The commission, in carrying out its responsibilities under this chapter, shall consider the value of improving electrical generation, transmission, and distribution

systems and infrastructure within the State through the use of advanced grid modernization technology [~~in order~~] to improve the overall reliability and operational efficiency of the Hawaii electric system.

(b) In advancing the public interest, the commission shall balance technical, economic, environmental, and cultural considerations associated with modernization of the electric grid, based on principles that include but are not limited to:

- (1) Enabling a diverse portfolio of renewable energy resources;
- (2) Expanding options for customers to manage their energy use;
- (3) Maximizing interconnection of distributed generation to the State's electric grids on a cost-effective basis at non-discriminatory terms and at just and reasonable rates, while maintaining the reliability of the State's electric grids, and allowing [~~such~~] access and rates through applicable rules, orders, and tariffs as reviewed and approved by the commission;
- (4) Determining fair compensation for electric grid services and other benefits provided to customers and for electric grid services and other benefits provided by distributed generation customers and other non-utility service providers; and
- (5) Maintaining or enhancing grid reliability and safety through modernization of the State's electric grids.

(c) The commission, in carrying out its responsibilities under this chapter, shall ensure the grid-ready home interconnection process aligns with principles of advanced grid modernization technology by:

- (1) Streamlining customer access to renewable energy and storage resources;
- (2) Enhancing customer participation in reliance-enhancing energy programs through rapid integration; and

(3) Optimizing grid operations to accommodate increased electrification while minimizing infrastructure costs."

SECTION 6. Section 269-146, Hawaii Revised Statutes, is amended to read as follows:

"[+]§269-146[+] Hawaii electricity reliability surcharge; authorization; cost recovery. (a) The commission may require, by rule or order, that all utilities, persons, businesses, or entities connecting to the Hawaii electric system, or any other user, owner, or operator of any electric element that is a part of an interconnection on the Hawaii electric system shall pay a surcharge that shall be collected by Hawaii's electric utilities. The commission shall not contract or otherwise delegate the ability to create the Hawaii electricity reliability surcharge under this section to any other entity. This surcharge amount shall be known as the Hawaii electricity reliability surcharge.

(b) Amounts collected through the Hawaii electricity reliability surcharge shall be transferred in whole or in part to any entity contracted by the commission to act as the Hawaii electricity reliability administrator provided for under this part.

(c) The Hawaii electricity reliability surcharge shall be used for the purposes of ensuring the reliable operation of the Hawaii electric system and overseeing grid access on the Hawaii electric system through the activities of the Hawaii electricity reliability administrator contracted under section 269-147; provided that amounts collected under the Hawaii electricity

reliability surcharge shall not be available to meet any current or past general obligations of the State.

(d) The commission may allow an electric utility to recover appropriate and reasonable costs under the Hawaii electricity reliability surcharge for any interconnection to the Hawaii electric system, including interconnection studies and other analysis associated with studying the impact or necessary infrastructure and operational requirements needed to reliably interconnect a generator, as well as from electric utility customers through a surcharge or assessment subject to review and approval by the commission under section 269-16.

~~(e) The commission may allow the Hawaii electricity reliability administrator contracted under section 269-147, if contracted to perform the commission's functions under section 269-142(d), to recover appropriate and reasonable costs under the Hawaii electricity reliability surcharge for the implementation and operation of the grid-ready home interconnection process, including staffing, training, and infrastructure upgrades required to meet the grid-ready home interconnection process's timelines and standards.~~

~~(e)~~ (f) Nothing in this section shall create or be construed to cause amounts collected through the Hawaii electricity reliability surcharge to be considered state or public moneys subject to appropriation by the legislature or be required to be deposited into the state treasury."

SECTION 7. Section 269-149, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The Hawaii electricity reliability administrator shall report to the commission each year on the date of agreement under section 269-147 following the original contracting between the Hawaii electricity reliability administrator and the commission on ~~the~~:

(1) The status of its operations, financial position, and a projected operational budget for the fiscal year following the date of the report[-]; and

(2) The status, effectiveness, and outcomes of the grid-ready home interconnection process, including:

(A) The number of customers served under the process;

(B) Average timelines for interconnection approvals and upgrades;

(C) Total fees collected by the public utility under the process;

(D) Total costs recovered by the public utility in service of the process; and

(E) Value of infrastructure upgrades deferred or avoided as a result of the process."

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect on January 1, 2027.

HB-2242

Submitted on: 2/11/2026 8:08:40 AM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Kim Keahiolalo	EP Cube	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify, Kim



February 11, 2026

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

Respectfully,

 ENERGY ADVISORS	 (808) 688 3216  (480) 510 9197
Anthony Amendola President/CEO	 aa@energyadvsrs.com
	 energyadvisorshawaii.com

"Making Sustainability Profitable"

Energy Advisors provides turn-key building improvement solutions through the development and funding of renewable energy, energy efficiency, EV Charging, and capital improvements in Hawai'i.

HB-2242

Submitted on: 2/11/2026 10:31:46 AM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Climate Protectors Hawai'i	Support	Written Testimony Only

Comments:

SUPPORT

HB-2242

Submitted on: 2/11/2026 11:34:08 AM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Kaemmerlen	Sunspear Energy	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

Jeffrey Kaemmerlen
CEO
Sunspear

HB-2242

Submitted on: 2/11/2026 6:21:52 AM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
James Rudolph	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process to accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons and many more, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.

LATE

HB-2242

Submitted on: 2/11/2026 3:34:39 PM

Testimony for EEP on 2/12/2026 9:45:00 AM

Submitted By	Organization	Testifier Position	Testify
Randy Castellanos	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members:

I strongly support HB2242.

HB2242 establishes a grid-ready home interconnection process that will help accelerate the adoption of rooftop solar, energy storage, electric vehicle charging, and other electrification technologies while maintaining grid reliability and controlling costs for customers and ratepayers.

Outdated and reactive interconnection and service upgrade processes have too often resulted in delays, uncertainty, and unnecessary costs. HB2242 addresses these challenges by creating clear timelines, transparent cost-sharing, and modernized interconnection standards that better align customer investments with utility planning.

For these reasons, I respectfully urge the Committee to pass HB2242.

Mahalo for the opportunity to testify.