

ACT 100

S.B. NO. 1050

A Bill for an Act Relating to Energy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that all Hawaii residents should be able to participate in and enjoy the economic, environmental, and societal benefits of renewable energy. Spurred by the Hawaii clean energy initiative and increasingly

affordable clean energy options, such as solar photovoltaic systems, localized renewable energy generation technology has become increasingly attainable.

While residential solar energy use has grown dramatically across the State in recent years, many residents and businesses are currently unable to directly participate in renewable energy generation because of their location, building type, access to the electric utility grid, and other impediments. The community-based renewable energy program seeks to rectify this inequity by dramatically expanding the market for eligible renewable energy resources to include residential and business renters, occupants of residential and commercial buildings with shaded or improperly oriented roofs, and other groups who are unable to access the benefits of onsite clean energy generation.

The legislature finds that it is in the public interest to promote broader participation in self-generation by Hawaii residents and businesses through the development of community-based renewable energy facilities in which participants are entitled to generate electricity and receive credit for that electricity on their utility bills.

Community-based renewable energy creates new construction jobs, stimulates the economy, reduces emissions of greenhouse gases, promotes energy independence, and assists in meeting the State's clean energy goals. Further, community-based renewable energy enables residents and businesses to save money on their electricity bills, thereby providing additional funds for purchasing, investment, or other economic activity.

The purpose of this Act is to establish the Hawaii community-based renewable energy program to make the benefits of renewable energy generation more accessible to a greater number of Hawaii residents. The legislature finds that a community-based renewable energy tariff should, to the extent possible, be designed in an open and accessible process and should accommodate a variety of community-based renewable energy projects, models, and sizes. The legislature also finds that, in order to facilitate the timely implementation of community-based renewable energy, the electric utilities should collaborate with the department of business, economic development, and tourism, and other stakeholders from the renewable energy industry and environment advocacy community on the development of a community-based renewable energy tariff prior to filing the tariff with the public utilities commission.

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

“§269- Community-based renewable energy tariffs. (a) Each electric utility in the State shall file a proposed community-based renewable energy tariff or tariffs with the public utilities commission by October 1, 2015. The public utilities commission shall establish a community-based renewable energy tariff or tariffs, pursuant to section 269-16; provided that the tariff or tariffs are found to be in the public interest.

(b) Any person or entity may own or operate an eligible community-based renewable energy project or projects provided that the person or entity complies with all applicable statutes, rules, tariffs, and regulations governing the ownership and interconnection of such project or projects.

(c) As used in this section:

“Community-based renewable energy tariff” means a tariff approved by the commission that:

(1) Allows an electric utility customer to participate in an eligible renewable energy project that is providing electricity and electric grid services to the electric utility;

- (2) Allows the electric utility to implement a billing arrangement to compensate those customers for the electricity and electric grid services provided to the electric utility;
- (3) Is designed to provide fair compensation for electricity, electric grid services, and other benefits provided to or by the electric utility, participating ratepayers, and non-participating ratepayers; and
- (4) To the extent possible, standardizes and streamlines the related interconnection processes for community-based renewable energy projects.¹

(Approved June 8, 2015.)

Note

- 1. Act printed as enacted.