

PUBLIC UTILITIES COMMISSION

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HPUC Expands Options for Customers to Install Rooftop Solar and Energy Storage

HONOLULU – In a Decision and Order issued today, the Hawai'i Public Utilities Commission ("HPUC") approved two new programs that will expand opportunities for customers to install rooftop solar and battery energy storage systems, while clarifying terms of existing programs to provide greater certainty for customers who have already invested in a rooftop photovoltaic (PV) system.

In today's decision, the HPUC:

- Approves a new "Smart Export" program This program offers a new option for customers installing a rooftop PV system combined with a battery energy storage system. Under "Smart Export," a customer's energy storage system will recharge during the daytime with energy captured from their PV system. The energy storage system will then power their home in the evening with an option to also export electricity back to the grid. If the customer sends power back to the grid during non-daytime hours, they receive a monetary credit on their electricity bill. Under the initial terms, the Smart Export program may accommodate approximately 3,500 4,500 customers on the islands of Oʻahu, Maui, Molokaʻi, Lānaʻi, and Hawaiʻi. Credit rates for electricity sent to the grid during non-daytime hours are 14.97 cents on Oʻahu, 11.00 cents on Hawaiʻi Island, 14.41 cents on Maui, 16.64 cents on Molokaʻi, and 20.79 cents on Lānaʻi.
- Establishes "CGS+" or "Controllable CGS" as a successor to the popular Customer Grid Supply ("CGS") program Under this new program, CGS+ customers can install a solar PV-only system (no energy storage needed) that exports energy to the electric grid during the daytime, but they will utilize advanced equipment that allows the electric utility to manage power from the CGS+ system. For example, when grid conditions require, the electric utility may reduce CGS+ system output in order to maintain a stable grid. Under the initial terms, the CGS+ program may accommodate approximately 5,000 6,000 customers on the islands of Oʻahu, Maui, Molokaʻi, Lānaʻi, and Hawaiʻi. Credit rates for electricity sent to the grid under this program are 10.08 cents on Oʻahu, 10.55 cents on Hawaiʻi Island, 12.17 cents on Maui, 16.77 cents on Molokaʻi, and 20.80 cents on Lānaʻi.
- Grandfathers existing CGS customers for five years Customers in the CGS program will continue to receive their current bill credit rate for the next five years.

- Allows existing Net Energy Metering ("NEM") customers to add to their systems if they
 meet certain technical requirements The decision clarifies that existing NEM
 customers can add "non-export" systems and retain their status in the NEM program.
- Authorizes activation of new "advanced inverter" functions in PV and storage systems
 Advanced inverters provide support to the electric grid during different types of grid disturbances. Activating these functions in new Smart Export and CGS+ systems will help maintain a stable and reliable grid.

Today's decision is the culmination of a comprehensive process that began with proposals submitted by participating parties in the HPUC's Distributed Energy Resources ("DER") docket, which were subsequently vetted through numerous technical planning conferences and meetings with stakeholders over the past nine months. The final filings from the participating parties were submitted to the HPUC in late September with the Commission issuing its decision today.

For further information, please see the HPUC's website — http://puc.hawaii.gov. The Decision and Order is filed in Docket No. 2014-0192 available to view online on the HPUC's Document Management System at http://dms.puc.hawaii.gov/dms/.

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