

# HAWAII RENEWABLE ENERGY ALLIANCE

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## TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

SB 2488 SD2 HD1, RELATING TO RENEWABLE ENERGY

March 24, 2010

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Chair Herkes, Vice-Chair Wakai and members of the Committee, I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is an industry-based, nonprofit corporation in Hawaii established in 1995. Our mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of our goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purposes of SB 2488 SD2 are to: (i) prohibit an electric utility from unreasonably denying, burdening, or delaying net energy metering service requested by an eligible customer-generator, (ii) permit the PUC to specify separate generating capacity requirements or limits for each specified individual generation technology; (iii) require the PUC to ensure the impacts of net energy metering on rates are reasonable, (iv) provide factors the PUC is required to consider in determining generating capacity requirements or limits; and (v) permit existing net-metered customers the option to maintain existing contracts in the event the PUC establishes alternate mechanisms.

HREA supports this measure, but prefers the previous version SD2 for the following reasons:

1. Net metering is a very good policy that supports our overall state energy goals, and it is working. So let's keep it working, and thereby allow our fragile renewable Distributed Generation ("DG") industry to grow and flourish, supporting a "greener," sustainable economy.
2. This measure will strengthen net metering and ensure that it remains an option for customer-generators, including a provision to pay for excess delivery of electricity to the utility over an annual period. Note: other states allow such payments, and net metering is becoming a choice for customers that want to convert their residences or businesses to "zero net energy."
3. HREA notes that the measure would "memorialize" one aspect of the HCEI agreement, i.e., that net metering projects should NOT be limited to a specified percentage of island grid capacity, but be subject only to circuit penetration limits. These limits would start at 15%, meaning that DG would be limited in capacity to 15% of the maximum load on individual circuits.
4. Why a Change in the Law at this Time? We believe it is important to memorialize changes in energy policy that have been made as a consequence of previous legislative action (such as changes made by the PUC), and executive action (such as the HCEI, as noted above). Moreover, we believe it is important for the legislature to "weigh in" on matters that are of importance to customers, which in increasing numbers are demanding the net metering option.

Thank you for this opportunity to testify.

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