The Senate Committees on Ways and Means February 23, 2012 9:00 a.m. Room 211

Statement of the Hawaii Carpenters Union on SB 2785, SD 1

The Hawaii Carpenters Union supports the passage of SB 2785, to establish a regulatory framework for the development of interisland electric cable connectivity.

The basic reasons remain the same as extensively discussed during the 2011 legislative session:

- Energy security, both for basic survival, and for a "smart grid" to address more common episodes of deficiencies in any one part of our State.
- Energy self-sufficiency, cutting dependence on, and total use of primarily foreign oil, by connecting alternate energy sources to centers of jobs and population.
- Taking first, far sighted steps towards providing consumers affordable energy, as oil based sources become unpredictably more expensive.

On the one hand we want to avoid the worst case scenario where our extraordinary dependence on imported oil causes Hawaii to be economically noncompetitive. Whether operating a hotel, making bread, or building housing, uncontrollable oil price increases can kill economic activity in Hawaii.

On the other hand, we can strive to achieve conditions of relatively "cheap energy" versus the world, given our potential for alternate energy production. Connecting those energy sources with energy usage can further economic self sufficiency and related jobs. For example, recycling of materials currently shipped out of Hawaii, light manufacturing, or processing and packaging of agricultural products, could become feasible here at home. Solid production jobs would result, allowing kamaaina to stay in Hawaii.

Finally, the Bill does not mandate the development of alternate energy resources, such as wind farms, in any specific location.

Substantial investments are required now to arrive at energy self–sufficiency later. We urge that one step be taken by passing SB 2785.





SENATE COMMITTEE ON WAYS AND MEANS

February 23, 2012, 9:00 A.M. Room 211

TESTIMONY IN <u>SUPPORT</u> OF SB 2785 SD1; REQUEST AMENDMENT Relating to Interisland Electric Transmission Cable Systems

Aloha Chair Ige, Vice Chair Kidani, and members of the Committee:

This testimony is provided by Hawaii Interisland Cable LLC ("Hawaii Interisland Cable"), a joint venture between Pattern Energy Group LP and Bio-Logical Capital, LLC that was formed to explore an opportunity to interconnect Hawaiian Islands via electric transmission cable systems in a responsible manner. This key infrastructure would help Hawaii achieve its energy security goals and improve economic stability by transmitting abundant, fixed price renewable energy among the islands.

We appreciate the opportunity to submit testimony in support of SB 2785 SD1, the purpose of which is to establish the regulatory structure under which interisland undersea transmission cables can be developed, financed, and constructed on commercially reasonable terms, such as those upon which successful cable projects have been undertaken in several locations around the world. This measure affirms that a cable entity would be a public utility regulated by the Public Utilities Commission, and we believe public interest would support regulation and oversight by the PUC. Importantly, this bill does not specify the routing/location of the cables or the associated renewable energy generation sources, and it does not approve the interisland cable or the projects that would supply the cable with energy. SB 2785 SD1 would instead provide a platform for the development of the interisland cable project in the event that it goes forward.

We would like to offer an amendment to the SD1 - page 2; lines 14-17:

"Nothing in this Act is intended to require the construction of an interisland cable from the islands of Molokai or Lanai to Oahu unless the communities affirmatively request a cable"

We strongly support the regulatory process in place that allows for community feedback (i.e. EIS). However, the current language is unclear.

We suggest replacing the above language with the following text, which is clear and addresses the intent:

"Nothing in this Act is intended to require the construction of an interisland cable from any particular island."

Thank you for this opportunity to testify.



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COMMITTEE ON WAYS AND MEANS Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair

DATE: Thursday, February 23, 2012

TIME: 9:00 a.m.

PLACE: Conference Room 211

BILL: SB 2785 SD1 **OPPOSE**

Aloha Chair Ige, Vice Chair Kidani, and Members of the Committee

My name is Henry Curtis and I am the Executive Director of Life of the Land, Hawai`i's own energy, environmental and community action group advocating for the people and `aina for four decades. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

<u>SB 2785 SD1</u>: Establishes a regulatory structure for the installation and implementation of an interisland high voltage electric transmission cable system.

<u>HB 2145 HD1</u>: It is the intent of the state to complete or facilitate the completion of the following key projects ...by December 31, 2023 ...electrical interconnectivity between Oahu and the neighbor islands

WHICH FUTURE ENERGY SCENARIO

Maximizes	Minimizes
Reliability	Taxes
Job Creation	Electric Rates
Economic Diversification	Permit Delays
Renewable Energy Penetration	Regulatory Requirements
\$\$\$ Staying in the Local Economy	Headaches

Will the cable benefit HECO at the expense of ratepayers?

From: <u>mailinglist@capitol.hawaii.gov</u>

To: WAM Testimony
Cc: cliffsouza@yahoo.com

 Subject:
 Testimony for SB2785 on 2/23/2012 9:00:00 AM

 Date:
 Wednesday, February 22, 2012 12:46:26 PM

Testimony for WAM 2/23/2012 9:00:00 AM SB2785

Conference room: 211
Testifier position: Oppose
Testifier will be present: No
Submitted by: Cliff Souza
Organization: Individual
E-mail: cliffsouza@yahoo.com
Submitted on: 2/22/2012

Comments: