



Sierra Club Hawai'i Chapter

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SENATE COMMITTEE ON WAYS AND MEANS

February 23, 2012, 9:00 A.M.
(*Testimony is 1 page long*)

TESTIMONY IN SUPPORT OF SB 2787 (SD1)

Aloha Chair Ige and Committee Members -

The Sierra Club, Hawai'i Chapter, with over 9,000 members and supporters, **supports** SB 2787 (SD1). This bill would, among other things, allow the Public Utilities Commission to develop grid reliability and interconnection standards. We support the changes made in the SD1 draft.

One of the biggest stumbling blocks towards transitioning to distributed generation has been the resistance of utilities to allow distributed power to connect to the grid. For example, a year ago HEI imposed a moratorium on additional distributed power in Maui because of purported concerns about grid stability. It was only after a group of environmental organizations and solar companies protested did HEI change its position.

HEI over utilizes the concern of grid instability as a justification to hold up rapid deployment of distributed power. While in some circumstances grid stability may be a legitimate concern, it's difficult to take these statements at face value when the utility has a conflict of interest. They are direct competitors to any distributed power source.

This measure has the potential to create an objective board to address the amount of renewable power that can or cannot come onto the grid. By taking this responsibility away from the utility, we can obtain some assurance that these numbers will be based in science and not corporate self-interest.

We respectfully ask this Committee to move this bill forward. Mahalo for the opportunity to testify.

HAWAII RENEWABLE ENERGY ALLIANCE

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TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

SB 2787 SD1, RELATING TO ELECTRICITY

February 23, 2012

Chair Ige, Vice-Chair Kidani 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 2787 SD1 are to: (i) authorize the Public Utilities Commission to develop, adopt, and enforce reliability standards for electric systems, (ii) oversee electric grid access; and (iii) authorize the Public Utilities Commission to contract for the performance of related duties with a party to be named the Hawaii Electricity Reliability Administrator.

HREA **strongly supports** this measure as it supports the state's overall clean energy objectives, and we offer the following comments in support:

- 1) The Commission has already started the development of reliability standards on its Docket No. 2011-0206, and HREA is proud to be an Intervenor in the docket
- 2) This measure will strengthen the process in three ways:
 - a) First, the measure requires the adoption and enforcement of the reliability standards. It is our belief that this process will allow the integration of more renewables on our island grids, but also improve the reliability of our grids,
 - b) Second, the measure provides the Commission with the additional resources to oversee and enforce the reliability standards, and
 - c) Third, the Hawaii Electricity Reliability Administrator will be an independent entity that reports directly to the Commission.

Thank you for this opportunity to testify.

**Testimony before the
Senate Committee on Ways and Means**

S.B. 2787, S.D. 1 -- Relating to Electricity

**Thursday, February 23, 2012
9:00 am, Conference Room 211**

**By Mathew McNeff
Acting Manager, Renewable Energy Services Department
Maui Electric Company, Ltd.**

Chair Ige, Vice-Chair Kidani, and Members of the Committee:

My name is Mathew McNeff. I am the Acting Manager of the Renewable Energy Services Department for Maui Electric Company. I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company (and Hawaii Electric Light Company. We support S.B. 2787, S.D. 1 to establish electric reliability standards to govern all segments of the electric power system

Ensuring reliability and resiliency of the electric system as we increase renewable energy levels on Hawaii's electric grids is an important aspect to successfully achieve the State's ambitious renewable energy portfolio standard mandate. It is critical for the Public Utilities Commission to have the clear authority to perform necessary electric system reliability and grid access oversight functions, and to allow the commission to contract for the services of a Hawaii electricity reliability administrator to support the commission in carrying out those critical functions throughout the State.

As we work toward adding significant levels of new renewable resources to the grid, it is also important that the Commission oversees and make determinations regarding any disputes that arise from the process of interconnecting an electric generator with the electric system to facilitate timely resolution and advancement of projects as quickly as possible.

Thank you for the opportunity to testify in support of this measure.