

LATE

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 3:47 PM
To: CPCtestimony
Cc: IkaikaPestana@gmail.com
Subject: Submitted testimony for HB856 on Feb 11, 2013 15:30PM

HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Ikaika Pestana | Individual | Support | No |

Comments: I very much support HB 856 because it will help generate affordable financing clean energy projects.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 4:48 PM
To: CPCtestimony
Cc: redahi@hawaii.rr.com
Subject: Submitted testimony for HB856 on Feb 11, 2013 15:30PM



HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| B.A. McClintock | Individual | Support | No |

Comments: Please support.

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kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 5:08 PM
To: CPCtestimony
Cc: w9w@hotmail.com
Subject: Submitted testimony for HB856 on Feb 11, 2013 15:30PM



HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| kurt | Individual | Oppose | No |

Comments: Sounds like more wasted money on so-called "green energy." This bill will merely subsidize companies that would otherwise fail in the market. Didn't Solyndra and the many other failed solar power ventures that lost billions of dollars in taxpayer money not teach us anything? If "green" energy is so good, then the market will discover it. Don't try to legislate what the market can and should do. The money would be better spent on education or healthcare.

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TESTIMONY OF HERMINA MORITA
CHAIR, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

FEBRUARY 11, 2013
3:30 p.m.

LATE

MEASURE: H.B. No. 856, H.D. 1
TITLE: Relating to Green Infrastructure

Chair McKelvey and Members of the Committee:

DESCRIPTION:

This measure proposes to establish the Hawaii Green Infrastructure Loan Program (“Green Financing Program” or “Program”) for the purpose of promoting the widespread adoption of clean energy technology and related clean energy-enabling infrastructure in Hawaii. This Program will be administered by the Department of Business, Economic Development, and Tourism (“DBEDT”) in cooperation with the Public Utilities Commission (“Commission”), and will serve as a potential source of capital for a range of clean energy technology users, including increasing opportunities to install clean energy technology for renters and residents that have not been able to take advantage of current financing programs.

POSITION:

The Commission strongly supports this measure and continues to work with DBEDT to fine tune the details of the Green Financing Program. The Commission would like to offer the following comments for the Committee’s consideration.

COMMENTS:

The Commission strongly supports the advancement of the State’s clean energy policies to help mitigate the high cost of electricity that impacts all segments of the population. H.B. No. 856, H.D. 1 is intended to further Hawaii’s progress in adopting energy efficiency and renewable energy technologies on the broadest scale possible.

LATE

H.B. No. 856, H.D. 1
Page 2

The practice of electric utility-focused securitizations, a form of securitization similar to the model being proposed in this bill, is a proven means of raising necessary capital for electrical system improvements and operations throughout the rest of the United States. H.B. No. 856, H.D. 1 proposes to modify elements of a standard electric utility securitization model to provide a pool of low-cost capital for the installation of clean energy technology. The Commission has been actively engaged with DBEDT, the Department of Budget and Finance, the Consumer Advocate, and other agencies and stakeholders to fine tune the details within this legislation to achieve the goal of lowering financing costs for energy efficiency and renewable energy devices.

The Commission hopes to work with the Legislature in making necessary amendments as it continues with its review of the proposed Program.

Thank you for the opportunity to testify on this measure.



LATE

**WRITTEN TESTIMONY IN SUPPORT OF HB 856
House Committee on Consumer Protection & Commerce**

February 11, 2013

Chair McKelvey, Vice Chair Kawakami and members of the Committee,

Environmental Defense Fund (EDF) is pleased to support HB 856, legislation that establishes a regulatory financing structure that authorizes the Public Utilities Commission (PUC) and the Department of Business, Economic Development and Tourism (DBEDT) to acquire and provide alternative low-cost financing for clean energy projects.

EDF is a leading national nonprofit organization working to create transformational solutions to the most serious environmental problems. Our mission is to preserve the natural systems, which we do by linking science, economics, law and innovative private-sector partnerships. EDF has been an early advocate and active participant in clean energy financial policy, with significant involvement in the design and implementation process for an On-Bill repayment program in California.

HB 856 will expand access to affordable financing, enabling customers to pursue cost-saving clean energy projects. EDF strongly supports HB 856's objective to use the green infrastructure bond proceeds to invest in a PUC-ordered on-bill financing program, in line with the February 1st, 2013 PUC decision and order that deemed on-bill financing viable for Hawaii. By tying the repayment obligation to the utility meter, the on-bill financing program can reach renters and lower income customers that previously could not access financing due to split incentives and/or poor credit. HB 856 enables the PUC and DBEDT to create a funding mechanism that will directly address the needs of these underserved populations and allow residents to lower their utility bills.

With limited sources of public funding for energy efficiency and clean energy and efficiency projects, HB 856 offers an innovative solution to leverage private capital to invest in Hawaii and allow the state's ratepayers to benefit. This bill would promote energy efficiency and clean, distributed energy resources that lessen the need for expensive new energy infrastructure, saving ratepayers money and combatting climate change.

Thank you for the opportunity to provide this testimony.

Sincerely,

Lauren Faber, West Coast Political Director

Environmental Defense Fund
123 Mission Street, 28th Floor
San Francisco, CA 94105
T 415 293 6080
lfaber@edf.org

kawakami2 - Rise

From: Daniel Grantham [dannygr@hawaiiantel.net]
Sent: Sunday, February 10, 2013 6:59 PM
To: CPCtestimony
Subject: Supporting HB 856 HD1



Dear Chair and committee members,

I am testifying as Energy Education Chair of the Maui Group Sierra Club, in support of making clean energy more affordable through HB 856 HD1.

Mahalo,

Daniel Grantham
P.O. Box 610
Haiku, HI 96708

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 7:37 PM
To: CPCtestimony
Cc: ndavlantes@aol.com
Subject: *Submitted testimony for HB856 on Feb 11, 2013 15:30PM*



HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Nancy Davlantes | Individual | Support | No |

Comments:

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LATE

Email: communications@uluponoinitiative.com

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
Monday, February 11, 2013 – 3:30 p.m. – Room 325

Testimony in Support of HB 856 HD1 Relating to Green Infrastructure

Chair McKelvey, Vice Chair Kawakami, and Members of the Committee:

My name is Murray Clay, Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase renewable energy, and reduce/recycle waste.

Ulupono Initiative seeks to promote and invest in innovative sustainability ideas and business models that have the potential to make a significant difference for Hawai'i. We work with, and invest in, businesses that show this potential for innovation, have local leadership, develop businesses from ideas and inspiration born in Hawai'i to reach the needs of Hawai'i, and use technologies and models that can be replicated and have potential global applicability.

Ulupono is testifying in strong support of HB 856, HD1, which establishes a regulatory financing structure that authorizes the Public Utilities Commission and the State Department of Business, Economic Development and Tourism to provide low-cost loans for clean-energy infrastructure and equipment to benefit consumers. We believe this could be an effective and reasonable approach.

One major obstacle to expanding Hawai'i's energy-efficiency resources is the need for substantial up-front capital investment. We recognize that the State has been supporting many facets of renewable energy and energy efficiency in Hawai'i over the years. However, there are increasingly severe limits to what the State can continue to support and finance. We need to prudently manage those public resources very carefully.

HB 856 HD1 enables the State to raise private capital through the use of revenue bonds, none of which affects the State's debt ceiling because revenue bond financing does not involve the State's full faith and credit. This new source of low-cost financing could be significant.

The on-bill financing mechanism is already being considered by the PUC, where many of the critical issues were addressed and resolved. HB 856 HD1 now provides a mechanism for raising low-cost capital for on-bill financing, while ensuring the PUC maintains the regulatory authority to manage how the program is structured.

This bill offers an opportunity for Hawai'i to accelerate energy efficiency for all our ratepayers and lower participant's energy bills.



Mr. Chair and Members of the Committee, we appreciate the opportunity to present this testimony in support of HB 856, HD1 and ask your favorable consideration of this bill. I would be pleased to respond to any questions that you may have.

Thank you very much,

Murray Clay
Managing Partner



Sierra Club Hawai'i Chapter

PO Box 2577, Honolulu, HI 96803
808.538.6616 hawaii.chapter@sierraclub.org



HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 11, 2013, 3:30 P.M.
(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 856, HD1

Aloha Chair McKelvey and Members of the Committee:

The Sierra Club, Hawai'i Chapter, with 10,000 dues-paying members and supporters, ***strongly supports*** HB 856, HD1. This measure creates a structure for a clean energy financing program, which would help many Hawaii residents reduce their electric bill through clean energy and energy efficiency investments.

Until we solve the problem of upfront cost, it will be difficult to provide clean energy to renters and low income residents. Our society has evolved into a pay-as-you-go system. No one would consider paying \$19,200 for twenty years of cell phone service, although that is the approximate cost of a modern iphone (\$80 per month x 12 months x 20 years). Similarly, too few people are willing to pay \$42,000 for a clean energy system that locks in today's energy rates (average bill of \$175 x 12 months x 20 years).

HB 856 could establish a national precedent. Creating a pay-as-you-save program would lead to the development of a stronger renewable energy market, wean Hawai'i off of fossil fuels, and put more money into the pocket of Hawai'i residents.

Analogous financing systems have led to demonstrable increases in employment and overwhelming public support. The tiny County of Sonoma, for example, has already funded 1750 residential and 57 commercial systems (a total of \$59,756,859 invested in stimulating the economy and reducing electric bills). 86% of these jobs were completed by local contractors.

The Sierra Club respectfully asks that this committee advance this measure. Mahalo for the opportunity to testify.

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 10:22 PM
To: CPCtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB856 on Feb 11, 2013 15:30PM*



HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-----------------------|---------------------|---------------------------|---------------------------|
| Javier Mendez-Alvarez | Individual | Support | No |

Comments:

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kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 10, 2013 10:51 PM
To: CPCtestimony
Cc: merway@hawaii.rr.com
Subject: Submitted testimony for HB856 on Feb 11, 2013 15:30PM

LATE

HB856

Submitted on: 2/10/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Marjorie Erway | Individual | Support | No |

Comments: Please support this bill which will make clean energy very cheap and inexpensive, if an on-bill financing program gets passed also.

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LATE

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 11, 2013, 3:30 A.M.

Room 325

(Testimony is 3 pages long)

TESTIMONY IN STRONG SUPPORT OF HB 856 HD1

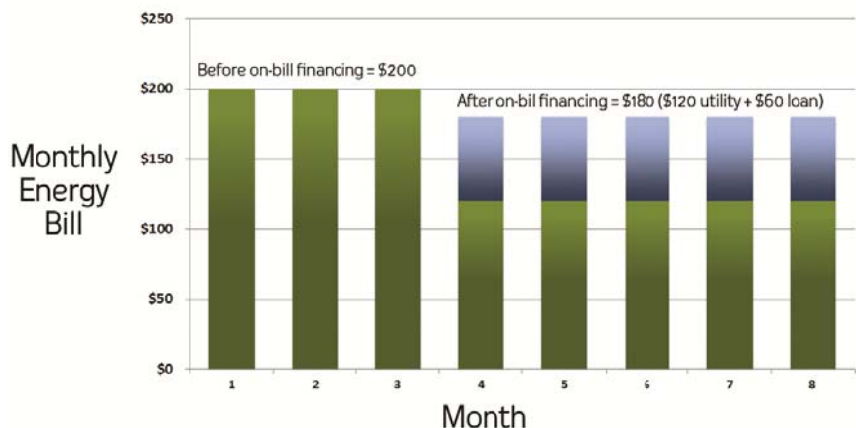
Chair McKelvey and members of the Consumer Protection & Commerce Committee:

The Blue Planet Foundation strongly supports HB 856 HD1, enabling the Green Infrastructure Financing Program (“Green Financing”), **with one requested housekeeping amendment** described below.

Fossil fuel prices have all of us looking for solutions to reduce the increasing burden of energy bills. With every shipment of fossil fuels that arrives at our shores, more of our limited dollars are leaving the state instead of paying down our mortgages, or educating our keiki, or investing in our future. Thankfully, hope has arrived in the form of “on-bill financing,” approved by the legislature in 2011, and currently the subject of a Public Utilities Commission (“PUC”) docket.

In that docket, the PUC engaged a professional consultant to examine the viability of on-bill financing for Hawai‘i, and to specify elements of a successful on-bill financing program. The consultant ultimately concluded that “an on-bill finance program will be effective for Hawaii.”

Implemented properly, on-bill financing can make energy efficiency, clean energy, and demand response more accessible for residents and businesses; this will reduce our energy bills and accelerate progress toward Hawai‘i’s energy independence.



On-bill financing overcomes the biggest hurdle to energy efficiency and clean energy: the up-front cost. By eliminating the initial cost and enabling ratepayers to pay off the investment directly from energy savings over time, adoption of efficiency and clean energy will accelerate. This will directly benefit participating ratepayers, via lower energy bills. To achieve this, the on-bill program must identify appropriate sources of capital for the program.

Green Financing can be one such source of capital, and offers several critical benefits:

- (1) It can be an “anchor” funding source, ensuring program feasibility irrespective of the scope or magnitude of private funding sources that wish to participate in the on-bill program;
- (2) It can ensure that the on-bill program includes equitable financing options for all residents, including residents who are otherwise unable to access traditional sources of private capital for energy improvements, such as renters and low-income households;
- (3) It can unlock large-scale private capital markets, pushing down the cost of capital, and making energy efficiency and clean energy even more cost effective for ratepayers;
- (4) Green Financing bonds do not become a state liability; thus, the on-bill program catalyzes private investment in our energy infrastructure;
- (5) It does not raise costs for energy ratepayers; the Green Financing fee established by HB 856 can simply utilize of a portion of the existing Public Benefits Fee,¹ and bond repayments will be made by the program participants (i.e. the ratepayers whose energy bills will be reduced by energy improvements).

HB 856 HD1 is necessary to establish the mechanisms and safeguards necessary to make these benefits achievable for Hawai‘i’s ratepayers. Blue Planet respectfully asks that this committee forward HB 856 HD1, to help lower the cost of energy for residents statewide while helping Hawai‘i achieve its clean energy goals.

Blue Planet requests one amendment to HB 856:

As currently drafted, § 269A defines “electric utilities” to mean “all electric utilities subject to collecting and remitting the public benefit fee pursuant to section 269-121, at the time the financing order becomes final.” Currently, Kaua‘i’s utility does not collect and remit the public benefit fee – thus this language may preclude the participation of Kaua‘i’s ratepayers in on-bill financing.

¹ During the technical session established by the PUC in the on-bill financing docket, the current Public Benefits Fee administrator indicated that a portion of existing PBF program funds could indeed be used for the purpose of securing financing via mechanisms like the one proposed in HB 856, with enabling legislation such as that proposed by HB 856.

Blue Planet believes that it is important to make on-bill financing, and its funding mechanisms, accessible to Kaua'i's residents and business. In the on-bill financing docket, we have requested that the PUC establish a deadline for Kaua'i's utility to submit an on-bill financing program to the PUC for approval, or that Kauai be incorporated into the larger on-bill program. By amending the language in § 269A, the PUC will be afforded the flexibility to determine how/whether Kaua'i will be included in the on-bill program. We propose the following revised definition of "electric utility" in § 269A:

"Electric utilities" means all electric utilities subject to collecting and remitting the public benefit fee pursuant to section 269-121, at the time the financing order becomes final, and any other electric utility designated in the financing order.

We also respectfully request that this measure be amended to include an effective date of "upon approval."

Please forward HB 856 HD1 with these proposed amendments.

Thank you for the opportunity to testify.

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 11, 2013, 3:30 P.M.

TESTIMONY IN SUPPORT OF HB 856

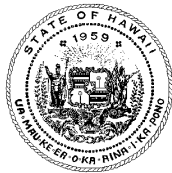
Aloha Chair McKelvey and Members of the Committee:

One of the major problems with Hawaii's clean energy revolution is that, so far at least, the only people who have been able to participate and benefit from it have been home owners who can afford the high up-front costs. This bill is a brilliant way of tackling the problem by creating a funding mechanism for very cheap low-interest loans.

Please pass this bill!

Respectfully,

anthony aalto



NEIL ABERCROMBIE
GOVERNOR

EXECUTIVE CHAMBERS
HONOLULU

LATE

Testimony in **support** of HB856 HD1
Relating to Green Infrastructure

Committee on Consumer Protection & Commerce
Representative Angus McKelvey, Chair
Representative Derek Kawakami, Vice Chair

February 11, 2013
3:30 pm Room 325

Chair McKelvey, Vice-Chair Kawakami, and members of the Consumer Protection & Commerce Committee:

The Office of the Governor **supports** House Bill 856, House Draft 1, Relating to Green Infrastructure. This measure would establish a regulatory financing structure to authorize the Public Utilities Commission (PUC) and the Department of Business, Economic Development, and Tourism (DBEDT) to provide low-interest loans for green infrastructure equipment which will help to achieve measurable cost savings to consumers and utility customers and move us towards Hawaii's clean energy goals.

This measure would allow residents who cannot afford the significant initial investment associated with the installation of a photovoltaic system to reap the benefits of alternative energy immediately and pay for it over the long run. This will lower their electric bills while also supporting the State's energy goals of self-sufficiency and security.

The PUC and DBEDT are also available to answer any technical questions you may have.

Thank you for the opportunity to testify.

**Testimony Before the House Committee
On
CONSUMER PROTECTION AND COMMERCE**

February 11, 2013 (3:30 PM)

H.B. 856 HD 1 - RELATING TO GREEN INFRASTRUCTURE

LATE

**By: Alan Hee
Director, New Energy Initiatives
Hawaiian Electric Company, Inc.**

Chair McKelvey, Vice Chair Kawakami, and Members of the Committee:

My name is Alan Hee, and I represent Hawaiian Electric Company, and its subsidiary utilities Hawaii Electric Light Company and Maui Electric Company. I appreciate the opportunity to present testimony on H.B. 856 HD1.

The Companies strongly support the structural amendments proposed by the Department of Business, Economic Development, and Tourism (DBEDT) to clarify financial, regulatory, and legal aspects of HB856 HD1. The structural amendments serve in part to clarify the role of the utilities. The Green Infrastructure Program proposed in H.B. 856 HD1, along with DBEDT's structural amendments, will provide low cost clean energy financing to underserved markets.

The Green Infrastructure Program also relies upon on-bill financing to facilitate the adoption of clean energy measures in underserved markets such as renters. The Companies supported on-bill financing during the On-bill Financing proceeding at the Commission (Docket No. 2011-0186) and are willing to assist with billing, collecting, and transmitting customer payments related to the Green Infrastructure Program.

Thank you for the opportunity to testify on this measure.

**Testimony Before the House Committee
On
CONSUMER PROTECTION AND COMMERCE**

February 11, 2013 (3:30 PM)

H.B. 856 HD 1 - RELATING TO GREEN INFRASTRUCTURE

LATE

**By: Alan Hee
Director, New Energy Initiatives
Hawaiian Electric Company, Inc.**

Chair McKelvey, Vice Chair Kawakami, and Members of the Committee:

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