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ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development, and Tourism
before the

SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 22, 2013

9:00 a.m.

State Capitol, Conference Room 211

in consideration of

SB 1040

RELATING TO ELECTRIC SYSTEMS.

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

The Department of Business, Economic Development & Tourism (DBEDT) supports SB 1040 to establish a policy for the State of Hawaii to support the implementation of advanced grid modernization technology.

Enabling the Public Utilities Commission to consider the value of improving electrical generation, transmission, and distribution systems and infrastructure may facilitate more robust solutions to provide reliable power and enable the grid to accept increased levels of renewable energy.

DBEDT respectfully defers to the Public Utilities Commission on the development and administration of this regulatory measure.

Thank you for the opportunity to offer comments on SB 1040.

TESTIMONY OF HERMINA MORITA
CHAIR, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
SENATE COMMITTEE ON WAYS & MEANS

FEBRUARY 22, 2013
9:00 a.m.

MEASURE: S.B. No. 1040
TITLE: Relating to Electric Systems

Chair Ige and Members of the Committee:

DESCRIPTION:

S.B. No. 1040 directs the Public Utilities Commission to consider in its deliberations the value of employing advanced grid modernization technology (“AGMT”) to improve and enhance the State’s electrical systems and infrastructure. This bill also defines “advanced grid modernization technology” to encompass a host of current and developing technologies and methods to ensure Hawaii’s grids continue to respond to evolving energy needs.

POSITION:

The Commission strongly supports S.B. No. 1040 and would like to offer the following comments.

COMMENTS:

S.B. No. 1040 provides valuable legislative guidance and support to the Commission in evaluating the various technologies and methodologies employed by utilities to improve the reliable and efficient operations of Hawaii’s electrical grids. AGMT, when appropriately applied, can provide essential grid support capabilities that can drastically improve grid communications, bolster electric system reliability, and support operational efficiencies. Without such technologies and methodologies, the State may be hindered in developing the infrastructure needed to reach its clean energy mandates. The Hawaii Clean Energy Initiative Road Map for 2011 has recognized this point and has noted that

smart grid technologies, as included within AGMT, are “highly critical” early stage technologies needed to enable the State to meet its Renewable Portfolio Standards requirements.¹

Thank you for the opportunity to offer comments on this measure.

¹See HCEI Road Map 2011; Braccio and Finch, Booz Allen Hamilton, Inc.; prepared by the National Renewable Energy Laboratory of the United State Department of Energy; August 2011; page 8.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: tabraham08@gmail.com
Subject: Submitted testimony for SB1040 on Feb 22, 2013 09:00AM
Date: Wednesday, February 20, 2013 12:28:44 AM

SB1040

Submitted on: 2/20/2013

Testimony for WAM on Feb 22, 2013 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments: i support the usage of clean modern locally made energy sources in the islands.

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Written Comments before the Senate Committee On Ways and Means

**By Marc M. Matsuura
Manager
Construction and Maintenance Department
Hawaiian Electric Company, Inc.**

**Friday, February 22, 2013
9:00 am, Conference Room 211**

SB 1040 – Relating to Electric Systems

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

My name is Marc Matsuura and I am submitting these comments on behalf of the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company, in support of SB 1040. The purpose of the bill is to establish a policy for the State for the implementation of advanced grid modernization technology. We are in support of this measure.

The requirements of Hawaii's island grid systems are changing with the addition of renewable energy resources and new types of electric loads. Many of these changes are occurring at the edge of the grid at customers' homes and on the distribution system in the form of distributed generation and electric vehicles. As the grid evolves, greater information and control will be needed at the locations of these distributed energy resources to manage the grid more efficiently and effectively. In addition, customers are more technologically sophisticated now than in the past and have greater expectations for quality and service. As such, the utilities will need to work towards developing the functional characteristics that improve the operational capability of the Hawaii systems that are mentioned in the bill.

Thank you for the opportunity to testify on this matter.