



SENATE COMMITTEE ON ENERGY AND ENVIRONMENT
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

February 7, 2013, 2:45 P.M.

Room 225

(Testimony is 2 pages long)



TESTIMONY IN SUPPORT OF SB 20

Chairs Gabbard and Baker members of the committees:

The Blue Planet Foundation strongly supports SB 1330, a measure establishing restrictions on the permitting of new coal-fired power plants in Hawai'i. We view this measure as an important policy to provide a "backstop" to ensure progress toward Hawaii's clean energy future.

Overarching rationale for a restriction on new coal power plants

Hawai'i is dangerously dependent on imported fossil fuels to power its economy and way of life. This must change. Fossil fuels are simply not part of Hawaii's clean energy future. We must draw the line in the sand and make it clear that we will not invest in any more expensive, import-dependent, greenhouse gas-emitting power plants. Hawai'i state policy should reflect our preferred energy future that is powered by clean, indigenous, renewable sources of electricity. Further, a clear prohibition on new coal will send a clear market signal that we are serious about our clean energy future.

Need for transition to a clean energy future

The transition to clean energy in Hawai'i means a ratcheting down of fossil fuel imports and scaling back existing oil and coal generating units. This measure would ensure that we don't repeat the mistakes of the past. *Rigorous analysis of what it will take to achieve those standards demonstrates that new fossil fuel generating units are not necessary.*

The state currently has nearly 2000 megawatts of installed fossil fuel-based electricity generation (providing about 90% of the electricity in the state). While Blue Planet would like to see that number reduced to zero, the goal of the Hawaii Clean Energy Initiative (HCEI) is to

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reduce it from 88% dependence to 30% dependence in 20 years (by 2030). That goal is achieved by adding hundreds of megawatts of new renewable energy generation such as wind, solar, wave energy, and others (40% clean energy), while dramatically increasing the end-use efficiency of electricity (30% decrease in electricity usage from forecasted demand in 2030). Those goals—40% clean energy and 30% efficiency—were codified in Act 155 (2009).

The Hawaii Clean Energy Initiative—a partnership between the U.S. Department of Energy and the State of Hawai'i established five years ago—contracted with global energy experts Booz Allen Hamilton to conduct various scenario analyses on how to achieve a 70% clean energy goal by 2030. The results of those analyses demonstrated that none of the trajectories to achieve Hawaii's clean energy goals required new fossil fuel generating units. Our transition to a clean energy economy will involve critical decisions about which fossil fuel power plants to retire first—not where to build new power plants.

A prohibition on new coal generation gives teeth to Hawaii's clean energy laws

Achieving the schedule of clean energy standards means reducing existing fossil generating capacity, not adding to it. As the HCEI analyses revealed, *new coal- or oil-based generation would make achievement of the standards substantially more difficult, as any new fossil fuel-based generation installed in the future will have a useful lifetime of 30 to 50 years or more.*

Therefore, the policy to phase out coal serves as a backstop and works to prevent backsliding on Hawaii's clean energy standards. Enforcing compliance with the renewable portfolio standard requirements through penalties and fines is not a desirable outcome (the penalty is currently two-cents per kilowatt-hour). Such enforcement risks that the costs from these penalties or fines simply get passed on to consumers or the possibility that such costs jeopardize the utilities' viability. *A restriction on coal serves as a backstop to ensure that Hawaii's clean energy transition actually occurs.*

Blue Planet supports restricting the development of coal power to keep Hawai'i on track to achieving its clean energy standards. This policy, if enacted, will help ensure that all future power in Hawai'i is clean power.

Thank you for the opportunity to testify.

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SB20

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Testimony for ENE/CPN on Feb 7, 2013 14:45PM in Conference Room 225

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

Comments: