

NEIL ABERCROMBIE GOVERNOR

SHAN S. TSUTSUI

## STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/dcca KEALI`I S. LOPEZ

JO ANN UCHIDA TAKEUCHI
DEPUTY DIRECTOR

## TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

## THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2014

TUESDAY, MARCH 18, 2014 8:30 A. M.

TESTIMONY OF JEFFREY T. ONO, EXECUTIVE DIRECTOR, DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, TO THE HONORABLE CHRIS LEE, CHAIR, AND MEMBERS OF THE COMMITTEE

SENATE BILL NO. 2199, SD1, PROPOSED HD1
- RELATING TO RENEWABLE ENERGY

#### **DESCRIPTION:**

This measure proposes to extend the clean energy initiative program goals to 2050 and the renewable portfolio standards to 100% clean energy by 2050.

#### **POSITION:**

The Division of Consumer Advocacy supports the intent of this bill with comments.

Senate Bill No. 2199, SD1, Proposed HD1 House Committee on Energy & Environmental Protection Tuesday, March 18, 2014, 8:30 a.m. Page 2

#### **COMMENTS:**

The Division of Consumer Advocacy supports the integration of increasing levels of renewable energy and acknowledges the benefits of "stretch" goals in order to encourage action. The Consumer Advocate offers, however, that it is more reasonable to establish goals with a time frame that can be better supported with relevant analysis. Creating meaningful plans to meet goals that are almost 40 years out is difficult, if not impossible, and may result in imprudent resource allocations that ratepayers may be required to bear.

Hawaii Revised Statutes § 269-95 requires the Public Utilities Commission (Commission) to provide a report to the Legislature every five years on the Commission's evaluation of the renewable portfolio standards (RPS) and whether the standards remain effective and achievable. The Commission will produce studies, such as the one recently conducted by General Electric (GE), which suggest that it is possible that Hawaii will be able to meet its 40% RPS goal if certain challenges and uncertainties are addressed. The GE study also suggests that greater levels of renewable energy may be possible, but these higher levels of renewable energy are associated with measures that need to be further evaluated (e.g., interisland electric transmission cable, renewable energy projects in areas that have already expressed concerns).

These studies are integral to the evaluation of the RPS, but these studies focus on a time frame that does not extend beyond 20 years. The data and analysis provided in other venues, such as the integrated resources planning (IRP) process will also contribute to the reassessment of Hawaii's progress and capability to integrate more renewables. The IRP process is supposed to produce a five-year action plan and a 20-year long range planning horizon.

Thus, utilizing the analyses that will be reflected in the Commission's recurring legislative report required by HRS § 269-95 and the IRP process and establishing goals that reflect a 20 year horizon will allow better insight into what may be likely, probable, and possible. Using that information, the legislature could evaluate what stretch goals it would set for the next 20 years.

Thank you for this opportunity to testify.



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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NEIL ABERCROMBIE GOVERNOR

> RICHARD C. LIM DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

**REVISED 3/16/14** 

Statement of RICHARD C. LIM Director

Department of Business, Economic Development, and Tourism before the

# HOUSE COMMITTEES ON ENERGY & ENVIRONMENTAL PROTECTION and WATER & LAND

Tuesday, March 18, 2014 8:30 AM State Capitol, Conference Room 325 in consideration of

#### SB 2199, SD1, PROPOSED HD1 RELATING TO RENEWABLE ENERGY.

Chairs Lee and Evans, Vice Chairs Thielen and Lowen, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports SB2199, SD1, Proposed HD1, which sets the renewable portfolio standard (RPS) of 70% by 2040 and 100% by 2050. It also enables the Public Utilities Commission (PUC) to waive in whole or in part penalties on an electric utility if in the PUC discretion, it is determined that the electric utility company is unable to meet the RPS due to reasons beyond reasonable control of an electric utility, including if the electric utility is unable to meet the newly proposed 2040 and 2050 RPS goals in a manner that is cost effective in relation to comparable fossil fuel resources.

DBEDT reiterates the Abercrombie Administration's commitment to going beyond our current RPS of 40% by 2030 by pursuing balanced, market-driven, cost-effective solutions to best serve Hawaii's energy needs. Given the lack of foundational studies and an updated roadmap to achieving 2040 and 2050 goals under this measure, DBEDT advises immediate attention to such studies and roadmaps, particularly given the PUC's 2014 Report to the Legislature, pursuant to Section 269-95(5), Hawaii Revised Statutes, on its review of Hawaii's RPS and finding that "The 2030 RPS requirement of 40% may possibly be achievable, but this cannot be determined with confidence at this time due to uncertainties regarding the magnitude

of future utility sales and several substantial outstanding challenges regarding the successful and economical siting and incorporation of requisite renewable energy generation resources."

The calculus for increasing the statutory RPS requirements prior to robust assessment of the viability and cost effectiveness of different RPS levels is to drive innovation and economic growth in Hawaii's clean energy sector towards meeting those goals. Going beyond 40% RPS may be achievable only if the Oahu and Maui grid systems are united by a two-way submarine transmission line. Ultimately, interconnection that permits firm geothermal power to play a greater role will be an essential part of the solution.

DBEDT acknowledges that setting such aspirational targets is unique among the 30 states with RPS mandates, and respectfully requests that if it is the will of the Legislature to pass this measure, necessary resources are made available through the extension period to effectuate it consistent with our state energy policy directives that ensure energy solutions for our consumers make sense as we move away from strategies that pursue "clean energy at any cost."

Thank you for the opportunity to offer this testimony.

# TESTIMONY OF HERMINA MORITA CHAIR, PUBLIC UTILITIES COMMISSION DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII

TO THE

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

MARCH 18, 2014 8:30 a.m.

MEASURE: S.B. No. 2199, S.D. 1, Proposed H.D. 1

**TITLE:** Relating to Renewable Energy

Chair Lee and Members of the Committee:

#### **DESCRIPTION:**

S.B. No. 2199, S.D. 1, Proposed H.D. 1 amends Section 269-92, Hawaii Revised Statutes ("HRS"), regarding Hawaii's Renewable Portfolio Standards ("RPS"), by requiring additional RPS requirements of 70% to be achieved by the end of 2040 and 100% to be achieved by the end of 2050. This measure also provides that penalties for failure to achieve RPS requirements may be waived by the Public Utilities Commission ("Commission") if the electric utility experiences the "[i]nability to acquire sufficient renewable electrical energy in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources." This measure also amends the framework of the required studies outlined in HRS § 269-95 to assess factors such as "the impact of renewable portfolio standards, if any, on the energy prices offered by renewable energy developers[.]"

#### **POSITION:**

The Commission would like to offer the following comments for the Committee's consideration.

#### **COMMENTS:**

The Commission supports the State's clean energy policy goals, which include an aggressive RPS established under HRS § 269-92. The purpose of adopting an RPS was

to establish a <u>floor</u> for the development of a renewable energy market in Hawaii. Therefore, as currently written in statute, the RPS has been found to be an effective tool to help drive Hawaii's clean energy transformation. However, recommendations to increase or decrease these statutory targets should be done with supporting technical and economic analysis to make RPS targets meaningful, achievable, and cost-effective.

With the above said, nothing in statute precludes an electric utility from setting its own renewable energy generation goals higher than statutory targets. For example, Kauai Island Utility Cooperative, at the direction of its Board of Directors, has set a utility-specific renewable energy target of 50% by 2023 based on its own technical and economic analysis. Therefore, given a utility's ability to establish internal goals of its own accord to exceed the State's statutory RPS requirements, the proposed requirements in this measure are not necessary, nor are these amendments based on reasoned analysis of the technical and economic challenges of achieving these goals.

In the Commission's mandated five-year report to the 2014 Legislature on Hawaii's RPS ("2014 RPS Report"), the existing RPS requirements of 15% by the end of 2015, 25% by the end of 2020, and 40% by the end of 2030 are each found to be effective and achievable. However, the 2014 RPS Report also notes a number of significant technical and economic challenges that must be addressed as the State increases its usage of renewable energy and moves towards the 2030 RPS requirement of 40%. These challenges include:

- Securing adequate siting and permitting for the required renewable resources;
- Addressing technical, operational, and economic issues associated with the integration of variable or intermittent renewable energy resources at both the utility scale and distribution levels;
- Determining and achieving the optimal resource mix which maximizes the cost effectiveness of the wide variety of renewable energy resources available; and
- Dealing with inevitable changes in renewable energy technology, storage technology, and associated costs.

Additional study of Hawaii's RPS requirements is currently being performed by General Electric in coordination with the Hawaii Natural Energy Institute of the University of Hawaii. This study, which is expected to conclude before the end of this calendar year, examines many of the issues associated with achieving Hawaii's current RPS

requirements under HRS § 269-92. The findings of this examination will provide critical analysis of some of the specific issues and challenges the Commission notes in its 2014 RPS Report and should provide a more firm basis upon which to consider increases and/or extensions of the current RPS.

The Commission has suggested in previous testimony that a sliding RPS target could be included as part of its currently-mandated quinquennial review under HRS § 269-95 which examines RPS targets beyond the current benchmark years (e.g., 2015, 2020, and 2030). For example, the review would examine and recommend a target five or ten years beyond the last RPS target date of 40% by 2030. The Commission believes that this review process would provide a more prudent process through which RPS requirements could be increased, rather than through statutory enactment of additional RPS requirements lacking sufficient supporting technical and economic analysis.

The Commission notes that H.R. No. 175 and H.C.R. No. 223 request that Hawaii's electric utilities establish and set a planning goal of meeting 100% of Hawaii's energy needs from renewable sources indigenous to Hawaii. As such, the purposes of this bill may be more appropriately served through either of these resolutions until a more firm basis upon which to consider increases and/or extensions of the current RPS is available.

Thank you for the opportunity to testify on this measure.



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COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Rep. Chris Lee, Chair

Rep. Cynthia Thielen, Vice Chair

**COMMITTEE ON WATER & LAND** 

Rep. Cindy Evans, Chair

Rep. Nicole E. Lowen, Vice Chair

DATE: Tuesday, March 18, 2014

TIME: 8:30 A.M.

PLACE: Conference Room 325

SB 2199 Proposed HD1 Requiring 100% Renewable Energy OPPOSE

Aloha Chairs Lee and Evans and Members of the Committees,

Life of the Land is 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.

The purpose of this bill is to state that if Hawai'i goes down the Liquefied Natural Gas (LNG), then it be a "temporary" solution, a short-term bridge.

This bill fails to do that.

If 80% of the energy of an island is produced by rooftop solar and 20% by grid-based LNG, then under state law the Renewable Portfolio Standard (RPS) is 80/20 = 4 = 400%.

### TESTIMONY BEFORE THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

#### S.B. No. 2199 S.D. 1 Proposed H.D. 1 Relating to Renewable Energy

Tuesday, March 18, 2014 8:30 am State Capitol, Conference Room 325

Scott W.H. Seu
Vice President, Energy Resources and Operations
Hawaiian Electric Company, Inc.

Chair Lee, Vice Chair, and Members of the Committee:

My name is Scott Seu and I represent Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company.

The Hawaiian Electric Companies support extending Hawaiis clean energy initiative and the aspirational goal of being 100% renewable by 2050 provided that this transition to energy independence is undertaken in a way that benefits Hawaiis economy and all electric customers, maintains customer affordability, and does not induce renewable energy developers to artificially increase the price of renewable energy in Hawaii.

This is consistent with the four strategic objectives stated in the Hawai'i Public Utilities Commission Annual Report<sup>1</sup>:

- 1. Develop an energy resource mix that meets State objectives.
- 2. Maximize the integration of cost-effective renewable energy while protecting electrical system performance and quality.
- Provide more options for customers to manage their electricity bills and reduce costs.
- 4. Align and fairly allocate risks, cost, and incentives in utility rate recovery.

There are many complexities to achieving this goal, including technical, cost, and working with our communities to develop renewable energy facilities. As such, not every project will move forward, but setting longer-term energy goals would allow

<sup>&</sup>lt;sup>1</sup> Public Utilities Commission, State of Hawai'i, Annual Report, Fiscal Year 2012-13, dated January 2014, Executive Summary, page i.

for more innovative thinking to meet those challenges and deliver lower cost, clean, safe, and reliable electric service to our customers.

Thank you for this opportunity to testify.









#### HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

March 18, 2014, 8:30 A.M.
Room 325
(Testimony is 4 pages long)

#### **TESTIMONY IN STRONG SUPPORT OF SB 2199 Proposed HD1**

Chair Lee, Vice-Chair Thielen, and members of the Committee on Energy & Environmental Protection:

The Blue Planet Foundation strongly supports SB 2199 Proposed HD1, which will establish the next logical step in Hawai'i's energy goals by setting forth the vision for Hawai'i's energy security and independence. We believe this measure will help in long-term energy planning and investment decisions while sending a message to the globe that Hawai'i is committed to a sustainable energy future. Moreover, recent PUC analyses have shown that the RPS mechanism (currently with 2030 targets) is effective, and is saving money for ratepayers. SB 2199 HD1 will ensure that those benefits continue into the future, by setting clean energy Renewable Portfolio Standards ("RPS") for 2040 and 2050. Moreover, the proposed HD1 ensures that the PUC will retain oversight over the long-term RPS targets, and may amend or waive those targets if they are not effective and achievable, or if cost-effective renewable energy is not available.

#### Background of Hawai'i's Existing "First Step" RPS Targets

The State of Hawai'i has established energy goals reflected in its Renewable Portfolio Standards ("RPS"). Those goals, set forth by the legislature in 2009 with Act 155, include generating 40% of our power from renewable energy by 2030. As a result, we could potentially still be left with a scenario of producing 60% of our energy from fossil fuels in 2030. Although this may be a step in the right direction, it does not achieve energy independence for Hawai'i. Indeed, Act 155 expressly acknowledged that it provided only a "first step in aligning Hawai'i's energy policy laws with the State's energy goals." SB 2199 HD1 is the "next step."

2030—a mere 16 years from now—is not the end of our energy road, and so we must ensure that today's energy decisions are being made with appropriate long-term policy guidance. We must also ensure that today's decisions do not lock us into an energy paradigm that will persist long after 2030 passes. Indeed, that is exactly the situation Hawai'i faces today, heavily reliant

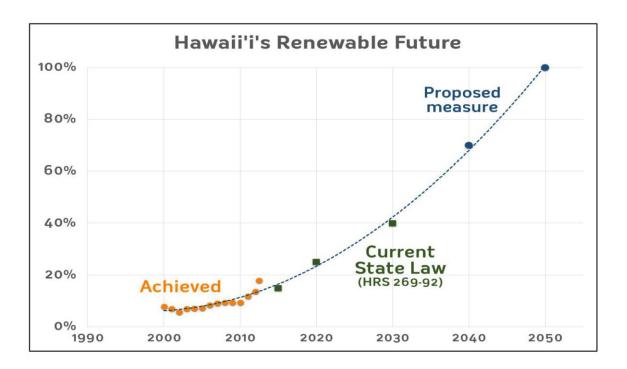
on an aging fossil-based energy system because of decisions made long ago<sup>1</sup>. Luckily, technology is accelerating ever faster, providing more and more clean energy options. Already, renewable energy technologies such as solar and wind power can generate electricity for less money than we currently pay for fuel alone. The future is bright... if we avoid repeating history.

#### RPS Targets in Hawai'i are Proving to Be Achievable and Effective

Significant progress has been made toward the 2030 target, and the Public Utilities

Commission has reported that the "RPS remains effective in helping the State achieve its policies and objectives with respect to developing renewable energy resources in Hawaii through the 2030 timeframe." For 2012, Hawaii Electric Light Company reported that renewable generation accounted for 46.7% of electricity sales. Maui Electric Company reported 20.8%. Hawaiian Electric Company reported 7.6%. Kauai Island Utility Cooperative reported 9.4%. The Hawaiian Electric Companies recently concluded that under the Companies' preferred resource plans, "an RPS greater than 40% can be realized well before 2030."

The chart below displays Hawai'i's renewable progress to date. You will note that the trend fits naturally through the achieved renewable energy percentages through the existing law to the targets proposed. We believe this acceleration of progress reflects the rapid technological advancement we are currently witnessing and should expect in the coming decades given technology learning curves, innovation, and economies of scale.



<sup>&</sup>lt;sup>1</sup> In fact, Oahu is still partially powered by a 66-year-old 50 MW fuel oil-powered generating unit at the Waiau power plant (built in 1947).

Blue Planet Foundation Page 2

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#### Renewable Energy in Hawai'i Is Already Saving Ratepayers Money

Under the RPS law, the PUC retains oversight over whether the targets are effective and achievable, and must study that issue every five years. When the concept of a 100% RPS was proposed during the 2013 legislative session, the PUC noted that it's first review was to be complete in 2013. That evaluation was recently released, and it included an analysis of whether the RPS targets are cost-effective for ratepayers. The PUC concluded that the increased use of renewable resources in 2012 saved ratepayers \$66.8 Million. The report also stated that there is "no doubt" that Hawai'i is further along the path to renewables due to the RPS mechanism. Indeed, for 2013 the HECO system has progressed to 18% renewable energy sales, adding to consumers' energy savings.

# This Bill Is Needed to Establish a Long-Term Vision for Hawaii's Energy Independence and Security, and to Empower the Engineering Solutions that Will Protect Hawaii's Ratepayers From the Costs and Impacts of Fossil Fuels

To provide long-term guidance and guard against post-2030 stagnation, SB 2199 HD1 establishes a new renewable standard target of 100% clean electricity by 2050. That target is consistent with steps already being taken elsewhere. Thirty U.S. states have implemented mandatory RPS targets. Renewable energy targets are also common around the world. The German government's target looks beyond 2030 (50% by 2030 and 80% by 2050). Denmark's government has similarly targeted independence from fossil fuels (100% by 2050). Scotland's accelerated targets are also ahead of Hawai'i's current. After initially targeting 50% by 2020, Scotland's has progressed so rapidly that the new target is 50% by 2015. Some island nations have already utilized their indigenous renewable resources to supply 100% of electricity, such as Iceland (geothermal) and the Pacific island of Tokelau (solar and biofuel). Such efforts are proving that aggressive energy innovation is achievable and affordable.

These targets are also consistent with the latest in engineering analysis. Engineers from Stanford University and U.C. Davis recently reported that "there are no technological or economic barriers to converting the entire world to clean, renewable energy sources. ... It is a question of whether we have the societal and political will." Their work was premised on a goal that by 2030 all new energy generation would come from renewable sources, and that by 2050 all pre-existing energy production would be converted. The analysis

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<sup>&</sup>lt;sup>2</sup> Report to the 2014 Legislature on the Public Utilities Commission Review of Hawaii's Renewable Portfolio Standards, Dec. 2013, at 17 ("PUC RPS Report").

<sup>&</sup>lt;sup>4</sup> See Jacobsen & Delucchi, *Providing all global energy with wind, water, and solar power*, 39 ENERGY POLICY 1154 (2011); see also <a href="http://news.stanford.edu/news/2011/january/jacobson-world-energy-012611.html">http://news.stanford.edu/news/2011/january/jacobson-world-energy-012611.html</a>.

also found that costs would be comparable to today's energy costs. Critically, this means that strong energy policy can hedge against rising fossil fuel prices.

As noted by other parties testifying on the 100% RPS concept, Hawaii will be studying its energy options carefully in the future. This bill is needed to ensure that we don't limit ourselves to studying 40%, and instead seek out the best ways to use our local clean energy resources to power 100% of our economy and our lives. Notably, the RPS mechanism authorizes the PUC to analyze the effectiveness and achievability of RPS targets, and to waive or alter those targets if there are not feasible.

Hawai'i must not be left behind, lest we find ourselves in 2040 asking—again—how to reduce fossil fuel dependence. We respectfully urge the committee to forward SB 2199 HD1, in the interest of strengthening our economy, making Hawai'i an energy leader, and protecting our keiki from indefinite fossil fuel dependence.

Blue Planet Foundation Page 4

Dr. Anela Choy SB 2199 SD1 Proposed HD1 House Committee on Energy & Environmental Protection Hearing: Tuesday, 3/18, 8:30 AM

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. However, that target will leave us with the majority of our energy still coming from fossil fuels. As an isolated set of islands in the middle of the largest ocean on the planet, Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I strongly support SB 2199 SD1 HD1 and ask that on behalf of the community of our great state that it is pushed through. Thank you.

Meyer Cummins SB 2199 SD1 Proposed HD1 House Committee on Energy & Environmental Protection Hearing: Tuesday, 3/18, 8:30 AM

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. However, that target will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Sincerely,

Meyer Cummins

#### Aloha,

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. However, that target will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Mahalo, Jennifer Wong-Ala

#### House Committee on Energy & Environmental Protection Tuesday, March 18, 8:30am

#### Personal Testimony

Peter E. Crouch, Dean, College of Engineering, UH Manoa

Dear Chair Chris Lee and Vice Chair Cynthia Thielen and Committee members: I support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill is important to ensure that Hawaii has a long-term goal for protecting its citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. That target, however, will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy.

Sincerely, Peter E. Crouch

PCrouch

#### SB2199

Submitted on: 3/16/2014

Testimony for EEP on Mar 18, 2014 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Judie Hoeppner	Individual	Oppose	No	]

Comments: We must oppose bills that pretend to support renewable energy while really paving the way for the importation of yet another fossil fuel.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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John Reiss SB 2199 SD1 Proposed HD1 House Committee on Energy & Environmental Protection Hearing: Tuesday, 3/18, 8:30 AM

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. However, that target will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Michelle Rocca SB 2199 SD1 Proposed HD1 House Committee on Energy & Environmental Protection Hearing: Tuesday, 3/18, 8:30 AM

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawaiʻi's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawaiʻi is targeting 40% clean energy by 2030. However, that target will leave us with the majority of our energy still coming from fossil fuels. Hawaiʻi needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawaiʻi's economy. I support SB 2199 SD1 HD1.

SB 2199 SD1 Proposed HD1 House Committee on Energy & Environmental Protection Hearing: Tuesday, 3/18, 8:30 AM

#### Dear Committee members:

I write to provide a testimony that strongly supports the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for renewable, local-sourced electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. The current RPS targets will leave us with the majority of our energy still coming from fossil fuels and lacks long term vision. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Thank you! Julie Suen

#### SB2199

Submitted on: 3/17/2014

Testimony for EEP on Mar 18, 2014 08:30AM in Conference Room 325



Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Tigchelaar	Individual	Support	No

Comments: As an island state, Hawai'i - more than the other of these United States - is extremely dependent on imported resources, and vulnerable to natural disaster and anthropogenic climate change. This bill, Senate Bill 2199 SD1 HD1, will help Hawai'i become more independent, resilient, and sustainable, by setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. The current target of 40% clean energy by 2030 is not enough. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. This bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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#### SB2199

Submitted on: 3/17/2014

Testimony for EEP on Mar 18, 2014 08:30AM in Corner Room 323

Submitted By	Organization	Testifier Position	Present at Hearing	
Crysttal Steiner	Individual	Support	No	Ī

Comments: I strongly support SB 2199 because it is a totally achievable goal that needs to be reached to reduce our dependence on imported oil.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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House Committee on Energy & Environmental Protecti Tuesday, March 18, 8:30am Testimony in support of SB 2199 SD1 HD1

Aloha Chair Lee and Committee members:

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. That target, however, will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Sincerely,
Cyrus Howe
Saint Louis Height Community Association Secretary

House Committee on Energy Tuesday, March 18, 8:30am Testimony in support of SB 2



Aloha Chair Lee and Committee members:

I strongly support the proposed language for Senate Bill 2199 SD1 HD1, setting 2040 (70%) and 2050 (100%) targets for clean, local electricity. This bill can show that Hawai'i's leaders have a long-term vision for protecting citizens from the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is targeting 40% clean energy by 2030. That target, however, will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Sincerely, Ella Henanipuakea Aki

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Ella Aki sustainability assistant Eric M. Matsumoto 94-464 Kaweloalii St. Mililani, HI 96789

17 March 2014



Chairs Chris Lee and Cindy Evans, Committee on Energy and Environmental Protection and Committee on Water and Land

Re: SB 2199 SD1 Testimony in Opposition Via E-mail Hearing on March 18, 2014, 8:30AM, Conf Rm 325

Chairs Lee and Evans and Members of the Committee,

This bill should be deferred, , as follows:

- 1. The auto makers are currently jockeying for position as to the system to best achieve green vehicles that the market will support. While most are looking at EVs, at least one will be offering hydrogen fuel cell vehicles in 20115-2016.
- 2. Hybrid vehicles will also be continued with smaller motors and longer lasting Li-ion batteries.
- 3. The cost of EVs will continue to be high in the near future when compared with Hybrid and ICE vehicles.
- 4. Given the added cost to pre-wire, in previous testimony presented to cost was presented as being from \$600 on up. An actual back-fit situation recently also cost \$600; no cost difference.
- 5. Building costs never decrease, but continuously rise.
- 6. With the projected 2015 estimate of a flat tax revenue stream, what is the projected trend for the following years to indicate that home buyers will be better off to afford the upfront pre-wiring costs?

While it would appear that mandating pre-wiring for 2 - 240V charging stations, the course of action mandated by this bill is premature, short sighted, and ill advised, given the above variables. Also, the logic escapes me when proponents of reducing petroleum product use see only legislating mandates, not necessarily in the best interest of the residents, denying home buyers the choice to pay for what "amenities" they want based on their needs, wants and financial ability. Proponents seem to ignore market force's influence to move the direction technological developments on the process. At this juncture, I ask, why is mandating pre-wiring 2 -240V systems the most cost effective avenue to achieve a greener environment at the expense of all the variables and considerations involved? Is the next step the banning of ICE vehicles? There needs to be a balance, but under this legislation, there is none.

One last point: There was previous testimony from a developer that indicated pre-wiring was an option that could be selected in a new home purchase. Is this not a way to accommodate the variables and considerations, by giving the home buyer the choice as to which vehicle propulsion system is selected, and therefore, negating the need for 2 - 240V pre-wired houses? This bill should be deferred.

Thank you for allowing me to testify,



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Sincerely, Ignacio Roger



There are so many reasons why Hawaii should be moving towards clean as

- 1. Peak Oil Oil and gas companies are looking to extract more fossil fuels in increasingly harder places to extract. This is a clear sign that the once reliable sources of fossil fuels are becoming less reliable.
- 2. Real impact recycling at home and driving electric cars are great ways to curb your own impact, but the ONLY real way to make a real difference in the future of this planet is through policy. If we can't create change through policy, all the individual efforts everyone puts in is futile.
- 3. Economy All island nations are a slave to the imports they depend on. Tahiti, for example, is in a dire economic situation and can not survive without the subsidies of France.
- 4. Tourism Many places in the world experience increase in tourism because they've developed a reputation of being leaders in sustainability. Curitiba, Majorca, Holland, etc.
- 5. Lead Hawaii is the capital of the Pacific. It is the most developed of all islands in the Pacific and Indian Oceans. It is a cultural, educational, and commercial center. What we do here affects all the other island nations, not to mention the populations where our tourists come from. We have a super high exposure, and are in position to be trend setters. Grow the industry here, and our experiencing will be depended upon by the entire Pacific.
- 6. Keiki If not for us, do it for our children.

Aloha nui kākou, Michael Rogers





Aloha Chair Lee an

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Sincerely,

Max Towey



#### Aloha Chair Lee and Committee members:

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Sincerely, Kawela Farrant



#### Aloha e Chair Lee and Committee members:

I strongly support the proposed Senate Bill 2199 SD1 HD1, setting 70% and 100% targets for clean, local electricity in 2040 and 2050 respectively. This bill will show the public that Hawai'i's leaders have a long-term vision for transcending the environmental damage and price volatility of fossil fuels. Currently, Hawai'i is planning to achieve 40% clean energy by 2030. That target, however, will leave us with the majority of our energy still coming from fossil fuels. Hawai'i needs and deserves a plan beyond 2030. We must ensure that long-term energy decisions and investments do not lock us into a future of dirty energy. The bill also confirms that the Public Utilities Commission will retain oversight over the 2040 and 2050 energy targets, to ensure that local clean energy continues to benefit Hawai'i's economy. I support SB 2199 SD1 HD1.

Sincerely, Wyatt Bartlett



#### SB2199

Submitted on: 3/18/2014



Submitted By	Organization	Testifier Position	Present at Hearing
Kelly King	Pacific Biodiesel Technologies	Support	No

Comments: Pacific Biodiesel Technologies supports the intent of this bill, but urges the committee to focus on life cycle economics, rather than giving an "out" based on pricing alone. The green economy that could benefit Hawaii with the 100% renewable goal should factor into the economics issues such as local revenue retained, jobs, avoided cost of environmental hazards, etc. as well as energy security from locally produced renewables.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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House Committee on Energy & Environmental Protection Luesday, March 18, 8:30am
Testimony in support of SCR 69, HR 77 & SB 2199 SD1 HD1

Aloha,

This testimony is in support of SCR 69, HR 77 & SB2199 SD 1 HD1, all of which set specific goals and targets to reach in the next few decades for a sustainable Hawai'i.

As it stands, these islands are increasingly vulnerable to the current and impending affects of climate change and sea level rise. As a student at UH Mānoa, I attended the 2nd Annual Hawai'i Sustainability in Higher Education Summit, which took place for three days last week to carry forth the discourse and action to make sustainability a priority in our institutes of higher education.

And this January, the Board of Regents passed a Systemwide policy in January emphasizing sustainability and affirming goals of carbon neutrality, zero-waste and local food self-sufficiency. It is undeniable that sustainability is coming to the forefront of the conversations and policies in Hawai'i.

Further, the 2050 Sustainability Plan for Hawai'i stated ambitious goals, yet remains stagnant following the creation of the document. Without clear targets to work towards, we threaten to remain a state of rhetoric and even worse, a state of inaction. The talking and collaboration has largely come to consensus among scientists, professionals, politicians and community members of these islands, and it is time to turn our words into meaningful action.

The President of Kiribati just visited the East-West Center on Thursday to speak to us as the islands of his nation are slowly being lost to sea level rise with significant parts of the coastline sinking every year. As an island state, we have a chance to be a leader in the arena of climate change so that in years to come, we do not find our own leaders having to share stories of the loss of our shorelines and the devastating effects of climate change on our livelihoods and our communities.

My testimony represents 150 students of the Student Sustainability Coalition of Hawai'i which includes dozens of students from neighbor islands who could not make it in person today. Hawai'i's ecosystem faces dire circumstances with myriad endangered and already extinct species on top of loss of viable agricultural land and decline in air and water quality. It is inevitable to address these issues to envision and create a healthier and vibrant Hawai'i, and we have the choice to begin addressing them today.

Mahalo,

Doorae Shin