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# SENATE CONCURRENT RESOLUTION

URGING THE PUBLIC UTILITIES COMMISSION AND THE HAWAIIAN  
ELECTRIC LIGHT COMPANY TO EXPEDITE THE CONCLUSION AND  
RESOLUTION OF REQUEST FOR PROPOSALS DOCKET NO. 2012-0092  
FOR FIFTY MEGAWATTS OF GEOTHERMAL-DERIVED ELECTRICITY ON  
THE ISLAND OF HAWAII.

1           WHEREAS, section 269-92, Hawaii Revised Statutes, which  
2 establishes renewable portfolio standards, and subsequent Energy  
3 Policy Directives of the State of Hawaii support the development  
4 of Hawaii's indigenous geothermal resources as a key element of  
5 the State's diversified energy approach; and

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7           WHEREAS, \$4,500,000,000 was expended to import oil into  
8 Hawaii in 2013, and the economy of the State remains highly  
9 vulnerable due to the annual export of dollars to import oil;  
10 and

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12           WHEREAS, the Hawaii Geothermal Working Group studied the  
13 feasibility of geothermal development on Hawaii Island and found  
14 that geothermal energy can be developed as the cheapest and most  
15 reliable form of base load power for Hawaii County, and  
16 recommended that the State support the development of Hawaii's  
17 vast geothermal resources as a high priority for the State's  
18 energy and economic security; and

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20           WHEREAS, the County of Hawaii, in its Statement of Position  
21 in Docket No. 2013-0141, stated that "the focus for the Island  
22 of Hawaii is on energy projects that provide cost reduction  
23 benefits to ratepayers . . . and that improve and maximize  
24 integration of additional lower cost renewable energy"; and

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26           WHEREAS, the State and County of Hawaii's priority for  
27 geothermal energy development and integration of geothermal  
28 electricity have not progressed for several reasons including:  
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- 1 (1) The refusal of Hawaiian Electric Industries and its  
2 subsidiary utility companies to address "Principle  
3 Issues" in its Integrated Resource Plan (IRP)  
4 resulting in its failure to meet State requirements  
5 for Certification by the Independent Entity in July  
6 2013;  
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- 8 (2) Numerous delays by Hawaiian Electric Light Company  
9 (HELCO) in the posting and progression of a Request  
10 for Proposals For Renewable Geothermal Dispatchable  
11 Energy and Firm Capacity Resources for the Island of  
12 Hawaii, and its failure to address planning concerns  
13 of the Public Utilities Commission, specifically,  
14 HELCO's modeling and analysis of its system, excess  
15 capacity, fossil generation requirements, and  
16 treatment of dispatchable renewable energy generation,  
17 which was verified by the Independent Observer, *Boston*  
18 *Pacific*, in its letter to the Public Utilities  
19 Commission dated February 21, 2014, which stated in  
20 part, "we find the lack of clarity in HELCO's planning  
21 inhibits anyone from determining . . . how the project  
22 solicited by the RFP should be defined in terms of  
23 size, capacity factor and dispatchability"; and  
24
- 25 (3) HELCO's reluctance to retire its fossil plants on  
26 Hawaii Island and accommodate more geothermal  
27 electricity as the most affordable and reliable firm  
28 renewable resource for Hawaii ratepayers, and the  
29 insistence of Hawaiian Electric Company and HELCO that  
30 the priority for the geothermal Request for Proposals  
31 is only performance standards that are comparable to  
32 the operational capabilities of the HELCO fossil  
33 fueled facilities; and  
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35 WHEREAS, the Public Utilities Commission has found that  
36 ratepayers on Hawaii Island pay nearly four times the national  
37 rate of electricity (42 cents per kilowatt hour) as the result  
38 of an existing HELCO geothermal avoided cost contract, which  
39 requires that ratepayers are charged the cost of fossil fuel  
40 rather than the cost of geothermal energy, and which the Public  
41 Utilities Commission has determined is not in the public  
42 interest; and  
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1           WHEREAS, any further delay of the outstanding Request for  
2 Proposals For Renewable Geothermal Dispatchable Energy and Firm  
3 Capacity Resources for the Island of Hawaii to select a  
4 geothermal developer from a qualified final bidders group is not  
5 in the public interest; now, therefore,  
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7           BE IT RESOLVED by the Senate of The Twenty-seventh  
8 Legislature of the State of Hawaii, Regular Session of 2014, the  
9 House of Representatives concurring, that the Public Utilities  
10 Commission and the Hawaiian Electric Light Company are urged to  
11 expedite the conclusion and resolution of Request for Proposals  
12 Docket No. 2012-0092 for fifty megawatts of geothermal-derived  
13 electricity on the island of Hawaii; and  
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15           BE IT FURTHER RESOLVED that certified copies of this  
16 Concurrent Resolution be transmitted to the Mayor of the County  
17 of Hawaii, Chairperson of the Public Utilities Commission, and  
18 President of Hawaiian Electric Industries, Inc.

