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# SENATE 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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30           (1) The refusal of Hawaiian Electric Industries and its  
31 subsidiary utility companies to address "Principle  
32 Issues" in its Integrated Resource Plan (IRP)  
33 resulting in its failure to meet State requirements



1 for Certification by the Independent Entity in July  
2 2013;

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4 (2) Numerous delays by Hawaiian Electric Light Company  
5 (HELCO) in the posting and progression of a Request  
6 for Proposals For Renewable Geothermal Dispatchable  
7 Energy and Firm Capacity Resources for the Island of  
8 Hawaii, and its failure to address planning concerns  
9 of the Public Utilities Commission, specifically,  
10 HELCO's modeling and analysis of its system, excess  
11 capacity, fossil generation requirements, and  
12 treatment of dispatchable renewable energy generation,  
13 which was verified by the Independent Observer, *Boston*  
14 *Pacific*, in its letter to the Public Utilities  
15 Commission dated February 21, 2014, which stated in  
16 part, "we find the lack of clarity in HELCO's planning  
17 inhibits anyone from determining . . . how the project  
18 solicited by the RFP should be defined in terms of  
19 size, capacity factor and dispatchability"; and  
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21 (3) HELCO's reluctance to retire its fossil fuel plants on  
22 Hawaii Island and accommodate more geothermal  
23 electricity as the most affordable and reliable firm  
24 renewable resource for Hawaii ratepayers, and the  
25 insistence of Hawaiian Electric Company and HELCO that  
26 the priority for the geothermal Request for Proposals  
27 is only performance standards that are comparable to  
28 the operational capabilities of the HELCO fossil  
29 fueled facilities; and  
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31 WHEREAS, the Public Utilities Commission has found that  
32 ratepayers on Hawaii Island pay nearly four times the national  
33 rate of electricity (42 cents per kilowatt hour) as the result  
34 of an existing HELCO geothermal avoided cost contract, which  
35 requires that ratepayers are charged the cost of fossil fuel  
36 rather than the cost of geothermal energy, and which the Public  
37 Utilities Commission has determined is not in the public  
38 interest; and  
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40 WHEREAS, any further delay of the outstanding Request for  
41 Proposals For Renewable Geothermal Dispatchable Energy and Firm  
42 Capacity Resources for the Island of Hawaii to select a  
43 geothermal developer from a qualified final bidders group is not  
44 in the public interest; now, therefore,



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2 BE IT RESOLVED by the Senate of The Twenty-seventh  
3 Legislature of the State of Hawaii, Regular Session of 2014,  
4 that the Public Utilities Commission and the Hawaiian Electric  
5 Light Company are urged to expedite the conclusion and  
6 resolution of Request for Proposals Docket No. 2012-0092 for  
7 fifty megawatts of geothermal-derived electricity on the island  
8 of Hawaii; and  
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10 BE IT FURTHER RESOLVED that certified copies of this  
11 Resolution be transmitted to the Mayor of the County of Hawaii,  
12 Chairperson of the Public Utilities Commission, and President of  
13 Hawaiian Electric Industries, Inc.

