Written testimony in support of House Bill 1943 March 20, 2014



Dear Representatives and all whom it may concern,

My name is Nancy Robberson and I have been a Maui resident and Maui Electric Company (MECO) customer for almost thirty years. On September 5, 2013 I signed an agreement with an established Maui company for a photovoltaic system installation at my and my husband's home in Kula. Because the cost of buying the PV outright equated to one year's salary (I was a high school teacher here on Maui for twenty years), I got a loan in order to pay for the installation. On Dec. 6, 2013 I received an email from MECO's Donald Mahoe and Steven Rymsha (Supervisor, Renewable Energy Projects), saying that an "engineering study" was needed for our home's circuit and that protective equipment may be installed "in 12-18 months." The letter went on to state: "We will contact you when the circuit upgrades are complete and provide you with your prorated share of the upgrade costs." In addition to working very hard to cover the basics, my husband and I have also dedicated our lives to be of service to Maui's people through teaching, coaching, and volunteering for numerous community groups. This letter was incredibly discouraging. MECO's vague timeline combined with its unspoken and unclear additional costs (many homeowners have had to pay at least \$3000 extra for a "study") is a harsh and unfair burden to place upon people who simply want to reduce dependence on fossil fuels and do what is right.

My husband and I personally know and are friends with many employees of MECO and they are all bright, caring people with integrity. We truly want to trust and believe that MECO and its mother company, Hawaiian Electric Industries, have the best intentions for Maui's people. It is disheartening to then find out about the huge profit margins as well as shareholder and board member salaries that MECO and Hawaiian Electric Industries enjoy while many in Maui struggle just to put food on the table. For example, Constance Lau, Hawaiian Electric Industries CEO made \$5,823,670 in 2012 while HEI's Chief Financial Officer, Jeff Ajello, made \$2,184,730 (http://www.reuters.com/finance/stocks/ companyOfficers?symbol=HE). Is this the real reason we are paying the highest utility rates in the nation and triple the national average? Are these "upgrade costs" simply an easy way to pay the approximately \$100 million per year that gets paid out in dividends to HEI's stockholders? (Fitch Ratings; "Fitch Assigns Initial Ratings to Hawaiian Electric Industries & Hawaiian Electric Co."; http://www.reuters.com/article/2014/01/21/fitch-assigns-initial-ratings-to-hawaiiaidUSFit68473620140121; Jan.21, 2014). It is equally disturbing to read that Maui's energy commissioner, Doug McLeod, claims that "the Oahu trend (for obstructing PV installation) is not occurring on Maui or Molokai." For him to state "it is still growing and growing at a decent pace" (The Maui News, Jan. 29, 2014) insults those of us who are experiencing added stressful costs and unfair delays.

While Maui Electric Company and its parent Hawaiian Electric Industries (HEI) claim to care about the community they are supposed to serve, their decision makers consistently set up road blocks for those of us who want to practice true sustainability. The letter from Mr. Mahoe and Mr. Rymsha states: "Once we receive your signed agreement and prorated share of upgrade costs, we will issue you a preapproval notice to proceed with your installation." At the minimum MECO is utilizing delaying tactics; at its worst it could be viewed (and perhaps is seen by many) as a profit-hungry monopoly that practices price gouging because it can. Indeed, out of four bullet points in MECO's Vision and Operating Philosophy "remaining a financially successful company for all stakeholders" and "building long-term value for our shareholders" are its top priorities (www.mauielectric.com/meco/About-Us). Apparently Maui residents who do not own stocks in HEI are not a part of this vision. MECO's justification to us for the exorbitant added costs and delays of photo voltaic installation is safety: "Too much solar power connected to a circuit without proper protection equipment is dangerous. It can put the lives of utility

workers at risk and cause poor electric service, from flickers to outages." (Rymsha, Steven; 2013 Letter) Where is the actual evidence based upon scientifically unbiased research to prove this? What are the specific standards to determine that a neighborhood is "saturated" with photovoltaic panels and why are those standards different depending on what address one has? What evidence-based measurements are being used to determine who gets photovoltaic permits and who does not? MECO leaders need to either provide real, verifiable and reproducible studies to substantiate their lifesaving claims as well as specific breakdowns of "study" costs or they need to be sincere about their service to Maui's people, its ecology, and its economy and step aside by stopping the obstructions. Harnessing the sun's power should be a basic, unalienable right for all. I wholeheartedly support the passage of House Bill 1943 as this may be a first step in getting MECO, HECO, and HEI to go from a conglomerate that puts huge profits first to a company that truly is of service to the people and the community which we share. Mahalo for your time and consideration,

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HB1943

Submitted on: 3/20/2014

Testimony for ENE/CPN on Mar 20, 2014 15:35PM in Conference Room 225

Organization	Testifier Position	Present at Hearing
Individual	Support	No
		Position

Comments: My industry and my ability to provide for my family has been hindered by HECO. There has been no transparency from HECO. Please pass this bill and allow the people of Oahu to interconnect.

CIRCUIT DESIGN CAPACITY



