

Hawaii Energy Policy Forum

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Testimony of the Hawaii Energy Policy Forum To the Senate Committees on Transportation & Energy and Commerce & Consumer Protection February 11 2016 at 2:45 pm in Conference Room 229

COMMENTS IN SUPPORT OF SB 2820, Relating to Renewable Energy

Chairs Inouye and Baker, Vice-Chairs Gabbard and Kidani and Members of the Committees,

The Hawaii Energy Policy Forum ("HEPF"), created in 2002, is comprised of over 40 representatives from Hawaii's electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the neighbor islands. Our vision, mission and comprehensive "10 Point Action Plan" guide us in moving Hawaii toward its preferred energy goals and our comments on this bill.

The HEPF supports clarifying the RPS definition by amending Section 269-91, HRS, as intended by SB 2820. The proposed definition, however, falls short of the intent of establishing clear and enforceable standards and has raised concerns by various stakeholders. The HEPF therefore suggests amending the bill to address these concerns by deleting the proposed definition and, instead, directing Department of Business, Economic Development and Tourism ("DBEDT") to convene stakeholders to review the current practice of calculating renewable generation and to report its findings and recommendations to the Legislature in the 2017 legislative session.

For example, one area of concern is how distributed generation (DG) is "counted." DG has a significant role in determining the amount of renewable energy generated and integrated into the Hawaii electric system. How DG is "counted" and the administrative ease in making the total calculation of renewable integration from both utility and DG generation are important considerations in determining the annual percentage in relationship to renewable portfolio standards targets.

HEPF believes convening stakeholders with the objective of working to a consensus position on the methodology to calculate the annual renewable generation/usage amounts in relationship to the renewable portfolio standards would be the most efficient and productive resolution to address the above and other concerns.

Since the RPS definition is not of great urgency at this time, HEPF hopes the Committees will consider the proposed amendment to SB 2820. We therefore support SB 2820 with the proposed amendment to delete the amended definition in Section 2 and replace with directing the DBEDT to convene stakeholders to review the practice of calculating renewable energy generation and provide recommendations on a more accurate and enforceable definition to the 2017 legislature.

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies.