

SR11

TESTIMONY

TESTIMONY OF RANDY IWASE
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII
TO THE
SENATE COMMITTEES ON
TRANSPORTATION AND ENERGY
AND
COMMERCE, CONSUMER PROTECTION, AND HEALTH

March 18, 2016
9:45 a.m.

MEASURE: S.R. 11

TITLE: EXPRESSING THE LEGISLATURE'S RECOGNITION OF HAWAII ISLAND ENERGY COOPERATIVE'S ORGANIZATIONAL EFFORTS AND DESIRE TO BRING THE BENEFITS OF THE COOPERATIVE FORM OF OWNERSHIP TO THE CRITICAL ELECTRIC UTILITY INFRASTRUCTURE OF HAWAII ISLAND AND REQUESTING THE PUBLIC UTILITIES COMMISSION TO ASSESS THE FEASIBILITY OF APPROVING AN ENERGY COOPERATIVE MODEL FOR HAWAII ISLAND.

Chair Inouye, Chair Baker and Members of the Committee:

DESCRIPTION:

This measure requests the Public Utilities Commission ("Commission") to consider the feasibility of approving an energy cooperative model for Hawaii Island.

POSITION:

The Commission opposes this measure and offers the following comments for the Committee's consideration.

COMMENTS:

The Commission notes that it would be inappropriate for the Commission to consider the feasibility of approving an energy cooperative model for Hawaii Island until an applicant provides the Commission with a proposal along with supporting details and analysis. As

an adjudicatory agency, the Commission would be responsible for ruling on any potential proposal that the Hawaii Island Energy Cooperative ("HIEC"), or any another entity, files with the Commission. Considering the feasibility of approving the energy cooperative model for Hawaii Island prior to receiving a concrete proposal could inadvertently limit the Commission's review of such a potential application and may hinder existing regulatory processes and other adjudicatory functions of the Commission.

Additionally, the Commission finds it inappropriate to consider the energy cooperative model for the island of Hawaii because HIEC is currently an intervenor in the Commission's still pending docket regarding the transfer of control of the Hawaiian Electric Companies to NextEra Energy.

For these reasons, the Commission suggests that the Legislative Reference Bureau, or another public research entity, may be a more appropriate to study the feasibility of the energy cooperative model for Hawaii Island.

Thank you for the opportunity to testify on this measure.



HAWAII ISLAND ENERGY COOPERATIVE

March 16, 2016

TESTIMONY IN SUPPORT OF SENATE RESOLUTION 11

Dear Senators on the Transportation and Energy AND Commerce, Consumer Protection and Health Committees:

I am a director and spokesperson for the Hawaii Island Energy Cooperative, a registered Hawaii 421C cooperative.

I am writing in support of this resolution and urge the committees to approve it.

HIEC is a grassroots organization that has made substantial progress to-date. We, along with our friends at KIUC, have elevated the dialogue on the benefits and advantages of the energy coop ownership model here in Hawaii.

Having the PUC examine, evaluate and report on the energy cooperative ownership model should be within the commission's purview with the final work product adding to the discussion of the benefits and advantages of this utility ownership model.

Respectfully,

Marco Mangelsdorf