

DAVID Y. IGE GOVERNOR

SHAN S. TSUTSUI

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

CATHERINE P. AWAKUNI COLÓN DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809

Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/dcca

TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2017

TUESDAY, MARCH 21, 2017 9:00 A.M.

TESTIMONY OF DEAN NISHINA, EXECUTIVE DIRECTOR, DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, TO THE HONORABLE CHRIS LEE, CHAIR, AND MEMBERS OF THE COMMITTEE

HOUSE CONCURRENT RESOLUTION NO. 140 AND HOUSE RESOLUTION NO. 88
URGING THE PUBLIC UTILITIES COMMISSION TO REQUIRE THAT ALL
DOCUMENTS, TESTIMONY, AND VISUAL DISPLAYS SUBMITTED TO THE
COMMISSION IN CONNECTION WITH A DOCKET INCLUDE ACCURATE
INFORMATION ON THE NET OR PROJECTED ENERGY GENERATION IN
ADDITION TO THE NAMEPLATE CAPACITY

DESCRIPTION:

This resolution requests to urge the Public Utilities Commission ("PUC") to require that all documents, testimony, and visual displays submitted to the PUC, in connection with a docket include accurate information on the net or projected energy generation in addition to the nameplate capacity.

POSITION:

The Division of Consumer Advocacy ("Consumer Advocate") offers the following comments for the Committee's consideration.

House Concurrent Resolution No. 140 House Resolution No. 88 House Committee on Energy & Environmental Protection Tuesday, March 21, 2017, 9:00 a.m. Page 2

COMMENTS:

The Consumer Advocate acknowledges that, regardless of whether it is a fossil fueled or renewable energy generating unit, confusion may occur when discussing the capacity of a generating unit. This confusion can be exacerbated when discussing the availability and capacity of generating units that rely on intermittent resources, such as wind and the sun.

The Consumer Advocate agrees that accuracy is an important objective in any matter before the Public Utilities Commission. For that reason, the Consumer Advocate often submits information requests, when necessary, to ensure that, to the extent possible, greater clarity is established in proceedings regarding the capacity factor and availability of a generating unit, regardless of whether that unit might be dispatchable or intermittent; or fossil fueled or renewable.

The Consumer Advocate offers, however, that accuracy, especially when referring to intermittent resources, will be difficult, if not impossible. Studies are often conducted to estimate the likely capacity factor associated with intermittent generating units, but these estimates reflect the best estimate of the likely productivity of that unit; it could be higher or it could be lower in any given year.

The inclusion of the net or projected energy generation when referring to nameplate capacity can be required, but it should be understood that such net or projected energy generation for intermittent resources are only estimates and may, depending on the public discussion, lead to greater confusion.

Thank you for this opportunity to testify.

TESTIMONY OF RANDY IWASE CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

March 21, 2017 9:00 a.m.

MEASURE: H.C.R. 140 / H.R. 88

TITLE: Urging the Public Utilities Commission to Require that All Documents,

Testimony, and Visual Displays Submitted to the Commission, in Connection with a Docket Include Accurate Information on the Net or

Projected Energy Generation in Addition to the Nameplate Capacity.

Chair Lee and Members of the Committee:

DESCRIPTION:

This resolution requests the Public Utilities Commission ("Commission") to require that all documents, testimony, and visual displays submitted to the Commission in connection with a docket include accurate information on the net or projected energy generation in addition to the nameplate capacity.

POSITION:

The Commission offers the following comments for the Committee's consideration.

COMMENTS:

Electric utilities and third party energy project developers already include information about the projected net generation in addition to nameplate capacity, as well as other relevant data, in applications before the Commission.

The Commission considers a proposed project's estimated or projected net generation, levelized cost of energy, and avoided cost, and other data, when reviewing applications for electric utility investments and power purchase agreements ("PPAs") with third party developers. This allow all parties to compare costs and benefits to determine the best

H.C.R. 140 / H.R. 88 Page 2

value for ratepayers. Such information is routinely provided as a part of an application and is recorded as a part of the docket record, which is available online on the Commission's Document Management System.

In addition, a summary of the average price per kWh for each PPA in effect in the State is reported in the Commission's Annual Report, which is also available on the Commission's website.

Thank you for the opportunity to testify on this measure.

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 19, 2017 11:30 AM

To: EEPtestimony

Cc: mendezj@hawaii.edu

Subject: *Submitted testimony for HCR140 on Mar 21, 2017 09:00AM*

HCR140

Submitted on: 3/19/2017

Testimony for EEP on Mar 21, 2017 09:00AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 17, 2017 7:58 PM

To: EEPtestimony

Cc: tika bean@hotmail.com

Subject: *Submitted testimony for HCR140 on Mar 21, 2017 09:00AM*

HCR140

Submitted on: 3/17/2017

Testimony for EEP on Mar 21, 2017 09:00AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Scott	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov