



DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

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

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CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

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DEPUTY DIRECTOR

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Energy, Economic Development, and Tourism  
Monday, January 31, 2022  
3:00 p.m.  
Conference Room 224 & Videoconference**

**On the following measure:  
S.B. 2057, RELATING TO RENEWABLE ENERGY**

Chair Wakai and Members of the Committee:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department offers comments on this bill.

The purpose of this bill is to 1) require the Public Utilities Commission (Commission) to render decisions on certain power purchase agreement applications within one hundred and eighty days of the filing of the application; 2) exempts certain power purchase agreement amendments from Commission review and approval; and 3) requires the Commission to complete its review and deliberations of a rate case application and issue its decision before six months from the date in which the application was filed by the utility.

The Department offers the following observations and comments.

While the Department supports the efficient operations of government, proposed HRS § 269-\_(a) in Section 2 of this bill may not address the speed at which developers bring projects online as the Legislature states in Section 1 is its hope. The Department

observes that the majority of recent power purchase agreements have been approved on a timely basis. When there have been delays in the projects reaching commercial operations, those delays relate to: 1) time required to transmit necessary project design information between the developer and utility to insure safe and reliable service; 2) issues encountered by the developer during construction after Commission proceedings are finished; 3) interconnection study issues; and 4) situations where litigation and appeals related to the project must be addressed. So, the proposed time limits of Section 2 of this bill may be difficult for the Commission to balance with its constitutional obligation to provide adequate procedural steps for those parties' due process rights, such as evidentiary hearings as well as other unintended consequences.

Given the title of the bill relates to renewable energy, to the extent that Section 3 of the bill is also meant to speed the completion of renewable energy projects, it may not be applicable to the Hawaiian Electric Companies for the foreseeable future because, instead of the traditional cost-of-service rate cases under HRS § 269-16(d), the Hawaiian Electric Companies have entered a multi-year rate plan under performance-based ratemaking under HRS § 269-16.1. The impact of the proposed changes in section 3 on the state's other electric utility, Kauai Island Utility Cooperative, in terms of accelerating renewable energy projects would also be negligible.

If, however, the intent of the proposed language to decrease the amount of time for traditional cost-of-service rate cases relates to some other purpose, the Department highlights that it would apply to all regulated utility companies and the Department has concerns on the ability to protect and advance consumers' interests if the proposed modification is adopted. In order to evaluate requested increases in rates, the Department always relies on the discovery process to determine whether the support for the requested increase is reasonable. The applications often lack sufficient documentation and evidence to support the finding that the proposed increase is reasonable and it requires time for that evidence to be produced and provided. Only after analyses that require time and discovery to obtain needed information, the Department has been able to secure first-year savings exceeding \$247 million over the last five fiscal years from settlements with utilities and/or Commission approved results.

Thus, further restricting the time available to conduct the regulators' review will have unintended consequences that could result in all customers paying much more for their regulated utility services.

Finally, the Consumer Advocate appreciates how the proposed exemption from Commission review, entirely, for certain power purchase agreement amendments under proposed HRS § 269-\_(b) would only be triggered when the amendment entails a price reduction. However, even though well-intended, the proposed amendment may not be in customers' interests. For example, when an already approved agreement reaches the end of the original term, if the new agreement reduces the rate by, say, only one penny per kWh, it would not require Commission review. If, however, all of the projects' costs have been recovered through the original term of the contract, allowing the new price, even at one penny less per kWh, would require customers to pay a rate that might provide the developer potentially significant profits over the new term of the amended agreement. Furthermore, other non-price terms of an amendment could create unintended risks for utility customers. In addition, allowing such existing amended contracts to continue without review could discourage the possibility of a competitive procurement process (and eliminate the possibility of encouraging additional investment in the state and lowering energy prices). So, if this bill moves forward, the Department encourages the Legislature to consider at least removing this particular subsection so that the Commission will still have the opportunity to review all terms of power purchase agreement amendments in order to safeguard the public interest.

Thank you for the opportunity to testify on this bill.

TESTIMONY OF  
JAMES P. GRIFFIN, Ph.D.  
CHAIR, PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII

TO THE  
SENATE COMMITTEE ON  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

January 31, 2022  
3:00 p.m.

Chair Wakai and Members of the Committee:

**MEASURE:** S.B. No. 2057

**TITLE:** RELATING TO RENEWABLE ENERGY.

**DESCRIPTION:** Requires the Public Utilities Commission to render decisions on certain power purchase agreement applications within one hundred and eighty days of the filing of the application. Exempts certain power purchase agreement amendments from the Public Utilities Commission review and approval process. For ratemaking proceedings, requires the Public Utilities Commission to complete its deliberations and issue its decision before six months from the date a public utility has filed its application for approval. Effective June 30, 2022.

**POSITION:**

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

**COMMENTS:**

This measure shortens the required timeframes for the Commission to review power purchase agreements (“PPAs”) and ratemaking proceedings.

The Commission is concerned that this measure could unintentionally stifle and delay renewable energy procurements needed to achieve the State’s energy policy goals. If the Commission were unable to complete its review within the measure’s specified timeframe, the Commission would be forced to either deny the application, or else approve the application without completing the necessary review, which would likely increase the risk

of appeal and involve lengthy litigation that could significantly extend the process and leave a project in limbo for several years.

The Commission emphasizes that it has devoted substantial resources to expeditiously review proposed PPAs once they are filed by utilities. However, 180 days is not, in all cases, a sufficient timeframe for conducting this complex and thorough review, which informs Commission decisions that impact ratepayers, utilities, developers, and the general public for the multi-decade term of a PPA.

The Commission has historically required six to twelve months to complete review of PPAs for large energy projects, but has reworked its internal processes in order to more expeditiously review such PPAs. This has allowed the Commission to complete its review in three to four months in many cases. Despite these improvements, the overall process can take substantially longer depending on the circumstances for specific PPAs, as a result of requests for public participation, hearings, and other procedural requirements.

For example, in the Commission's review of the Stage 1 PPAs submitted by Hawaiian Electric, several PPAs were able to be reviewed relatively quickly after the Commission prioritized this review and dedicated its resources accordingly. Review was lengthier in cases where stakeholders or members of the public requested to participate in the process, including requests for hearings and other steps that were necessary to ensure meaningful opportunity to contribute to the review.

The Committee should also understand that many of the key provisions in a PPA refer to a "Non-appealable PUC Approval Order." Therefore, the Commission is concerned that requiring review within 180 days for all PPAs may actually increase developer uncertainty for complex and controversial projects.

The Commission recommends deleting the exemption for extensions of existing power purchase agreements when the unit price decreases in the amended PPA. The amended PPA is typically for another extended period (recent proposed amendments have ranged from 10-30 years) and the proposed language sets up an automatic long-term extension for a de minimis price decrease. Given the long-term impact on the cost of electricity from these agreements, the Commission and Consumer Advocate need an opportunity to review the terms to ensure the amended PPAs are just, reasonable, and in the public interest.

The Commission also notes that a six-month timeline on ratemaking cases proposed in Section 3 could rush the decision-making process. This could have the unintended consequence of raising the costs of essential services for Hawaii residents. It is imperative that sufficient time is available to consider ratemaking decisions, which involve thorough investigation of utilities' finances, economic projections, and other factors, in order to protect the interests of ratepayers and to avoid further increasing the cost of living in Hawaii.

The Commission is dedicated to completing its reviews as timely as possible, without compromising the thorough and wide-ranging analysis that is necessary in making decisions of this nature.

Thank you for the opportunity to testify on this measure.



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COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
Senator Glenn Wakai, Chair  
Senator Bennette E. Misalucha, Vice Chair

DATE: Monday, January 31, 2022  
TIME: 3:00 pm  
PLACE: Conference Room 224 & Videoconference

**SB 2057 RELATING TO RENEWABLE ENERGY.**

**OPPOSE**

Aloha Chair Wakai, Vice Chair Misalucha, and Members of the Committee

Life of the Land is Hawai'i's own energy, environmental and community action group advocating for the people and `aina for 52 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

The bill seeks to restrain an agency not responsible for delays. During the 2018-2020 timeframe, 14 uncontested solar and storage projects were submitted to the public utilities commission and approved in an average of 131 days per project. The time for approval of the power purchase agreements averaged 11 percent of the total time from the initial utility filing to the estimated online date. The delays in post-PUC-approval processes (the 89% of the total time) were and are due to covid pandemic related issues: employment and supply chain disruptions.

Mahalo,

Henry Curtis,  
Executive Director

**SB-2057**

Submitted on: 1/28/2022 1:53:50 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b>                      | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|--|---------------------------|-----------------------------------|
| Ted Bohlen          | Testifying for Climate Protectors Hawaii | Oppose                    | Yes                               |

Comments:

Oppose.





## **Testimony to the Committee on Energy, Economic Development, and Tourism**

**Monday, January 31, 2022**

**3:00 PM**

**VIA Video Conference**

**Conference Room 224, Hawaii State Capitol**

**SB 2507**

Chair Wakai, Vice Chair Misalucha, and members of the committee,

Hawaii Clean Power Alliance (HCPA) **supports** SB 2507, which requires the PUC to render decisions on certain power purchase agreements applications within 180 days of the application's filing (with certain exemptions) and for ratemaking proceedings, requires the PUC to complete its deliberations and issue its decision before six months from the date a public utility has filed its application for approval.

Hawaii Clean Power Alliance is a nonprofit alliance organized to advance and sustain the development of clean energy in Hawaii. Our goal is to support the state's policy goal of 100 percent renewable energy by 2045. We advocate for utility-scale renewable energy, which is critical to meeting the state's clean energy and carbon reduction goals.

Hawaii leads the nation with its commitment to 100% clean energy by 2045. With just over twenty years to achieve that, the state, the clean energy developers, the utilities, and the ratepayers cannot afford long delays in bringing proposed projects to fruition. Simply looking back at RFP 1 process started in 2017 and RFP 2 in 2019 proves the point: none of the projects that were green-lighted in that process are delivering energy to the grid, four are awaiting regulatory approval and a few have dropped out altogether.

The achievement of eliminating fossil fuels in the electricity sector is even further delayed when renewable energy projects power purchase agreements expire and are potentially replaced by continued fossil fuel use. Hawaii must keep what few renewable developments are on the grid and add more, not decommission them. This bill will expedite approval of the contract, only if the rates are beneficial to the ratepayers.

We can also look to California to see the urgency and poor outcomes when too much time passes. After doing a top-to-bottom assessment and analysis of root causes of its mid-August 2020 heat storm and grid outages, the California Independent System Operator, California



PUC, and the California Energy Commission identified critical recommendations for immediate action to reduce the likelihood of additional rotating outages. At the top of that list was the construction of new generation, the streamlining of regulatory and procurement processes to accelerate the timeframe to bring additional resources online, and considering where diverse resources can be built and how transmission and land use can be improved.

This bill recognizes the cost of these delays and addresses those concerns by establishing time limits for deliberation and for allowing certain PPAs to be automatically renewed upon expiration. These steps are essential if we are to meet our 2045 obligations and ensure that Hawaii ratepayers have the clean, renewable energy they've been promised.

We ask the committee to pass this bill.

Thank you for the opportunity to testify.

Sincerely,



Frederick Redell, PE

*Executive Director*

(949) 701-8249

[www.hawaiicleanpoweralliance.org](http://www.hawaiicleanpoweralliance.org)



To: The Senate Committee on Energy, Economic Development and Tourism  
From: Sherry Pollack, Co-Founder, 350Hawaii.org  
Date: Monday, January 31, 2022, 3pm

### **In opposition to SB2057**

Aloha Chair Wakai, Vice Chair Misalucha, and Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **opposes SB2057** that would require the Public Utilities Commission to render decisions on certain power purchase agreement applications within 180 days of the filing of the application.

While we fully support the concerns raised in this legislation regarding the importance and need to move to 100% renewable electric energy, the method to achieve this goal as stated in this legislation would have unintended negative consequences. We believe strongly that Hawaii can and should move boldly to achieve our renewable energy goals, and can do so in a manner that not only includes assurances that renewable energy choices are truly non-climate harming, but also includes decisions made using an environmental justice lens. This legislation, however, would undermine those efforts.

It must be noted that this bill seeks to restrain an agency not responsible for delays. An analysis taken of the 2018-2020 timeframe, found the time for approval of the power purchase agreements averaged 11% of the total time from the initial utility filing to the estimated online date. The delays in post-PUC-approval processes (the 89% of the total time) were and are due to covid pandemic related issues: employment and supply chain disruptions.

Of particular concern is the language in the bill that states: *"If the application is not approved, approved with modification, or denied by the commission within one hundred and eighty days, the matter shall be deemed approved by the commission."*

Mandating policies such as this thwarts community engagement and as such is not in the best interests of the community, and thus should never be allowed. We cannot continue to propose climate solutions without meaningful participation, consultation, and benefits to the impacted communities.

We urge you to **oppose** this bill.

Mahalo for the opportunity to testify.

Sherry Pollack  
Co-Founder, 350Hawaii.org



**Hawaiian  
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEE  
ON ENERGY, ECONOMIC DEVELOPMENT, AND  
TOURISM**

**SB 2057**

**Relating to Renewable Energy**

January 31, 2022

3:00 p.m., Agenda Item #4

State Capitol, Conference Room 224

Rebecca Dayhuff Matsushima  
Vice President, Resource Procurement  
Hawaiian Electric Company, Inc.

Chair Wakai, Vice Chair Misalucha, and Members of the Committee,

My name is Rebecca Dayhuff Matsushima and I am testifying on behalf of Hawaiian Electric Company, Inc. (“Hawaiian Electric” or the “Company”) with comments to SB 2057, Relating to Renewable Energy.

SB 2057 proposes to amend HRS Section 269 to add a new section which would: (1) require the Public Utilities Commission (“PUC”) to review and render decisions on power purchase agreement (“PPA”) applications within 180 days of filing; (2) exempt PPA amendments to previously approved PPAs from PUC review and approval process if the amendment reduces the unit price of the energy or energy potential; and (3) amend HRS Section 269-16 for ratemaking proceedings and shorten the timeframe for review of rate cases from 9 months to 6 months.

Hawaiian Electric believes that having set timeframes for the PUC to render a decision on renewable PPA applications would result in many benefits for renewable projects. Such a requirement significantly reduces uncertainty in the regulatory timeline, which would result in less contingency and lower pricing in project proposals.

By establishing this requirement, the Company and the developer would have expected dates of a decision for PPAs, which would further streamline the developer's process and provide greater certainty for stakeholders. Hawaiian Electric recognizes that the PUC has worked to approve many new renewable projects within three to four months of submittal and appreciates this effort.

To further reduce risk, Hawaiian Electric believes that this bill should not only apply to renewable PPAs, but also to renewable projects developed by the Company, accompanying projects needed to interconnect renewable facilities to the electric grid, such as overhead line applications, and cost recovery applications for required substation and infrastructure upgrades.

Timely completion and successful development of renewable projects is critically important to Hawaiian Electric for several reasons including meeting the State's Renewable Portfolio Standards ("RPS") requirements, reducing reliance on imported fossil fuels, stabilizing and reducing volatility of our customers' bills, reducing greenhouse gas emissions, and assisting with post-pandemic economic recovery. We must all work together toward achieving the State's RPS goals and implementing such change requires cooperation between many stakeholders, including Hawaiian Electric, developers, the community, government agencies, and regulators.

Thank you for this opportunity to comment on SB 2057.

**SB-2057**

Submitted on: 1/28/2022 8:44:17 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Christopher Dean    | Individual          | Oppose                    | Yes                               |

Comments:

While I appreciate the intent of this bill, I can not support it. The difficulty is in the definition of renewable and sustainable energy. It's possible that energy providers can proclaim their source of energy is renewable and sustainable, when in fact, it is not. For example, Hu Honua claims that they are renewable and sustainable, when they are niether. Biomass generation has been proven to be a fallacy. It emits 150% more CO2 than even coal. It clear cuts trees just as they're beginning to uptake CO2, which further increases global CO2 concentrations. It leave barren land that releases large amounts of CO2 where a forest was once capturing it. It takes 20 years before a newly planted forest tips the scale past even amounts of CO2 capture and release. Then decades more before the equasion becomes a significant source of carbon capture. If Honua Ola were to even replant, which is doubtful since Kamehameha Schools would like to get rid of the eucalyptus, it would eventually cut down these trees again in 20 years, just before they start to uptake CO2. As you can clearly see, biomass generation is not sustainable and it is not renwable, yet under SB2057, it could be given a free pass to proceed solely based on the industry's misleading claims.

We are at a critical juncture. We have 8 years to cut global emissions by 50% and every year we break new records for emissions. At this point, every disission is critical. A mistake now could be the straw that breaks the camel's back. We need to be absolutely sure about where we take our next step, one wrong move and its death. While we need to move expeditiously towards a truly sustainable economy, we have to be careful of quick buck for profit schemes that pass themselves off as something they are not. There's enough existing roof space in Hawaii to power the entire island with solar, even the transporation sector. Insentives to promote home and commercial rooftop solar is the best way forward, because it puts money in the pocket of the working class, decentralizes the grid which makes it safer and more dependable and does not destroy land through commercial development.

**SB-2057**

Submitted on: 1/28/2022 9:21:22 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Gary Miller         | Individual          | Oppose                    | No                                |

Comments:

I oppose this bill. Need process to properly VET applications and proposals. No shortcuts to get around requirements.

Gary Miller

Hamakua Coast Resident

**SB-2057**

Submitted on: 1/28/2022 9:48:01 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Emily Garland       | Individual          | Oppose                    | No                                |

Comments:

**I strongly oppose SB2057 because of the environmental devastation it will cause. This bill could exempt Honua Ola and other horrifically harmful projects from PUC review. PUC review is an essential step to ensure projects benefit the environment and the community. Furthermore, this bill would rush the PUC process, which limits vital public review. The time is now to act decisively for the environment. We must not approve Hu Honua and other egregious projects that purport to be environmentally friendly. Please Mālama Honua and do not pass SB2057.**



**SB-2057**

Submitted on: 1/28/2022 9:49:42 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Keith Neal          | Individual          | Oppose                    | No                                |

Comments:

I oppose SB2057, it is bad public policy. The PUC is a deliberative body handling complex issues in the public interest. The 180 day proposed rule can be abused by submitting more dockets than the PUC can appropriately handle.

SB2057 is an end around an **established** public process.

**SB-2057**

Submitted on: 1/28/2022 9:59:49 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| Submitted By | Organization | Testifier Position | Remote Testimony Requested |
|--------------|--------------|--------------------|----------------------------|
| David Hunt   | Individual   | Oppose             | No                         |

Comments:

SB 2057 is extremely poorly written and reads like it is an underhanded good-ol-boy GIFT to Hu Honua, who has been launching a massive campaign of lies to try to convince the public AND YOU (many of whom may have accepted their "campaign contributions" which might also, in this case be perceived as "bribes").

2057's definition of renewable and sustainable energy is not accurately, or scientifically defined. It leaves the barn door open in a hurricane... It's possible that energy providers can proclaim their source of energy is renewable and sustainable, when in fact, it is not. For example, Hu Honua claims that they are renewable and sustainable, when they are neither.

"Green" Biomass generation has been proven to be a fallacy. It emits 150% more CO2 than even coal. It clear cuts trees - the lungs of our planet - just as they're beginning to uptake CO2, which further increases global CO2 concentrations. It leaves barren land that releases large amounts of CO2 where a forest was once capturing it.

It takes 20 years before a newly planted forest tips the scale past even amounts of CO2 capture and release. Then decades more before the equation becomes a significant source of carbon capture.

If Honua Ola were to even replant, (which is NOT defined or likely, since Kamehameha Schools is on the record stating they will NOT replant, but rather convert those lands to other uses) to get rid of the eucalyptus, it would eventually cut down these trees again in 20 years, just before they start to uptake CO2. As you can clearly see, biomass generation is NOT sustainable and it is not renewable, yet under SB2057, it could be given a FREE PASS to proceed solely based on the industry's misleading claims.

We are at a critical juncture. We have 8 years to cut global emissions by 50% and every year we break new records for emissions. At this point, every decision is critical. A mistake now could be the straw that breaks the camel's back. We need to be absolutely sure about where we take our next step, one wrong move and its death. While we need to move expeditiously towards a truly sustainable economy, we have to be careful of QUICK BUCK FOR PROFIT SCHEME that pass itself off as something they are not.

Frankly, I am extremely disappointed in Sen. Inouye and others who have sponsored this suspect bill.

SB2057 MUST be tossed out.!

**SB-2057**

Submitted on: 1/28/2022 10:06:29 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Robert Culbertson   | Individual          | Oppose                    | No                                |

Comments:

Aloha Senators!

Automatic approval setups are always a bad idea! In this case, you would be circumventing several institutional bodies YOU created to provide the important review functions for good legislation. In essence this is CHEATING THE SYSTEM for special interest advantage. In this case too it is nakedly transparent as CHEAT to benefit 'Honua A'ole' power plant on our island. This is not PONO, not acceptable, and will be contested thoroughly even as this bad project is being contested currently! Has no one done their homework?

**SB-2057**

Submitted on: 1/28/2022 10:23:21 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Mary True           | Individual          | Oppose                    | No                                |

Comments:

Aloha, and please excuse me, but I am not going to mince words. My personal opinion is that Hu Honua Ola has bought themselves a bill. My qualifications for making such a statement are 3 college level courses in Logic while obtaining my Masters Degree. I admit I have no proof, but this looks very much like open "corruption" to me, logically speaking. Hu Honua Ola has been their own worst enemy since day one. I am not going to bore you with the details surrounding this claim since I'm sure that many, much more qualified than me, have already done so. But what I find truly shocking about this bill is that any "public servant" would push for more expensive power for their constituents. It is no secret that Hu Honua Ola is planning on charging almost 3 times the going rate for their power. What "public servant" who is not corrupt would support such a thing? I would like to ask every person responsible for this bill and anyone who votes for it that one question.

Just my thoughts, but I needed you to hear them. Mahalo for listening. Mary True, Pepe`eoko

**SB-2057**

Submitted on: 1/28/2022 10:25:53 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Jim Scancella       | Individual          | Oppose                    | No                                |

Comments:

The following statement is copied from a respected citizen of Hawaii. I am coping and pasting because I could not have said it better. I agree with everything in his statement.

"While I appreciate the intent of this bill, I can not support it. The difficulty is in the definition of renewable and sustainable energy. It's possible that energy providers can proclaim their source of energy is renewable and sustainable, when in fact, it is not. For example, Hu Honua claims that they are renewable and sustainable, when they are neither. Biomass generation has been proven to be a fallacy. It emits 150% more CO2 than even coal. It clear cuts trees just as they're beginning to uptake CO2, which further increases global CO2 concentrations. It leaves barren land that releases large amounts of CO2 where a forest was once capturing it. It takes 20 years before a newly planted forest tips the scale past even amounts of CO2 capture and release. Then decades more before the equation becomes a significant source of carbon capture. If Honua Ola were to even replant, which is doubtful since Kamehameha Schools would like to get rid of the eucalyptus, it would eventually cut down these trees again in 20 years, just before they start to uptake CO2. As you can clearly see, biomass generation is not sustainable and it is not renewable, yet under SB2057, it could be given a free pass to proceed solely based on the industry's misleading claims."

Mahalo for your consideration,

Jim Scancella

**SB-2057**

Submitted on: 1/28/2022 10:34:50 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Roberta Baker       | Individual          | Oppose                    | Yes                               |

Comments:

re: SB2057 many negative points on this bill:

promotes dirty hydrogen when using fossil fuels

accepts wood burning which may be worse for the environment than fossil fuels!!

and the worse part is that it subverts the PUC..**shame** for even submitting this bill

I oppose SB2057. The PUC was not responsible for delays. From 2018-2020, the time frame for PUC approval averaged 11% of the total time from initial filing to estimated online date. 89% of delay time was post PUC approval. And this 89% of delay time was due to the Covid pandemic problems, such as employment and supply chain issues.



**SB-2057**

Submitted on: 1/28/2022 11:04:46 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Ron Reilly          | Individual          | Oppose                    | Yes                               |

Comments:

Dear Senator Wakai and Members of the Energy, Economic Development, and Tourism,

I am strongly opposed to SB 2057.

The Hu Honua project will “crowd out” other renewable projects already proposed for Hawaii Island that offer decades of far less expensive energy.

Crowding out is documented by the DCCA Consumer Advocate, at the PUC, and has submitted testimony that 58% of the electricity generation which Hu Honua would replace would be other renewable sources (zero emitting wind, solar or geothermal) whereas 42% would be fossil fuels.

The time for burning living trees and fossil fuels is behind us. I note that the Mauna Loa Atmospheric Observatory recorded an atmospheric CO2 concentration on Jan 25, 2022 of over 420.23ppm. The highest ever recorded at MLO since measurements began there in 1958. See <https://keelingcurve.ucsd.edu/>

Please do all you can to prevent further Hawaii emissions of green house gases by voting against Hu Honua and this bad bill.

Thank you, Ron Reilly

Volcano Village, Hawaii

**SB-2057**

Submitted on: 1/28/2022 11:45:24 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Susan Gorman-Chang  | Individual          | Oppose                    | No                                |

Comments:

I strongly oppose SB 2057. Hu Honua is bad for Hawaii from both an environmental perspective and a cost perspective. There is nothing good about it for we the people of Hawaii nor for our planet considering the danger of increasing the severity of global warming.

Hu Honua will emit 2.2x more Greenhouse Gas per KWh electricity produced than the Big Island's largest power plant, which burns kerosene.

Solar Plus Storage facilities on the Big Island will charge Hawaiian Electric \$0.08 per KWh of electricity produced. Hu Honua proposes charging initially \$0.22 per KWh increasing toward \$.30 per KWh, approximately 3x the charges of the Solar Plus Storage projects.

Bad for the environment. Bad for consumers. Who would this be good for? Only the investors who don't even live in Hawaii and think themselves wealthy enough to avoid climate change chaos.

**SB-2057**

Submitted on: 1/28/2022 11:45:29 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b>  | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|----------------------|---------------------|---------------------------|-----------------------------------|
| janice palma-glennie | Individual          | Oppose                    | No                                |

Comments:

**Aloha,**

**please oppose SB2057 would likely exempt Hu Honua and other existing Purchased Power Agreements from PUC review. Not all reduction of current PPA rates are in the public interest and "automatic approval" is always a dirty word, especialy when it curtails public oversight and comment.**

**mahalo, janice palma-glennie**

**kailua-kona**

**SB-2057**

Submitted on: 1/28/2022 11:57:02 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Paula Miller        | Individual          | Oppose                    | No                                |

Comments:

I strongly urge you to oppose SB2057, especially to the extent that it may exempt Hu Honua and other existing Purchased Power Agreements from PUC review.

Years ago when the Hu Honua project was first proposed, many legislators were misled into believing that biomass is green energy. We know better now (<https://iopscience.iop.org/article/10.1088/1748-9326/aaa512/meta> ; <https://www.latimes.com/opinion/story/2020-12-28/wood-burning-power-plants-clean-energy> ).

If you agreed to the Hu Honua project in the beginning and feel that you cannot go back on your word now, there is no shame in changing your mind as new information comes to light. As Maya Angelou said, “do the best you can until you know better. Then when you know better, do better.”

You know better. It’s time to do better.

Respectfully submitted,

Paula Miller

Ninole, HI

**SB-2057**

Submitted on: 1/28/2022 12:15:54 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Clair Mason         | Individual          | Oppose                    | No                                |

Comments:

Chair, Vice Chair, Members of the Committee,

My name is Clair Mason and I stand in opposition to Senate Bill 2057. This bill does not support climate change mitigation even though that is the intent of the bill. Please do not move this bill forward, and instead focus on other bills that actually support climate change mitigation like Senate Bill 3012 which establishes a green fees program, and SB2166 which requires and establishes deadlines for state facilities to implement cost-effective energy efficiency measures.

Mahalo for your consideration.

**SB-2057**

Submitted on: 1/28/2022 12:28:14 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Rodger Hansen       | Individual          | Oppose                    | No                                |

Comments:

I am a registered voter in Hakalau HI 96720 and I oppose this bill.

Mahalo

**SB-2057**

Submitted on: 1/28/2022 12:30:05 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Elizabeth Hansen    | Individual          | Oppose                    | No                                |

Comments:

Aloha Senators:

I am a registered voter in Hakalau HI 96720 and I oppose this bill.

Mahalo

**SB-2057**

Submitted on: 1/28/2022 12:31:30 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Mark A. Koppel      | Individual          | Oppose                    | No                                |

Comments:

Aloha Committe Members

I WRITE IN STRONG OPPOSITION TO SB2057.

You all know this an Illegal Special Law, written to help only one company Hu Honua.

Hu Honua is wrong, and has always been wrong. Once Hu Honua is investigated, TRUTH WIL COME OUT AS TO WHY SOME PEOPLE SUPPORTED a mainland billionairess's investment project which is patently illegal as a power plant today.

I agree with all of this following testimony.

Mahalo,

Mark Koppel

Umauma

While I appreciate the intent of this bill, I can not support it. The difficulty is in the definition of renewable and sustainable energy. It's possible that energy providers can proclaim their source of energy is renewable and sustainable, when in fact, it is not. For example, Hu Honua claims that they are renewable and sustainable, when they are neither. Biomass generation has been proven to be a fallacy. It emits 150% more CO2 than even coal. It clear cuts trees just as they're beginning to uptake CO2, which further increases global CO2 concentrations. It leaves barren land that releases large amounts of CO2 where a forest was once capturing it. It takes 20 years before a newly planted forest tips the scale past even amounts of CO2 capture and release. Then decades more before the equation becomes a significant source of carbon capture. If Honua Ola were to even replant, which is doubtful since Kamehameha Schools would like to get rid of the eucalyptus, it would eventually cut down these trees again in 20 years, just before they start to uptake CO2. As you can clearly see, biomass generation is not sustainable and it is not renewable, yet under SB2057, it could be given a free pass to proceed solely based on the industry's misleading claims.



We are at a critical juncture. We have 8 years to cut global emissions by 50% and every year we break new records for emissions. At this point, every decision is critical. A mistake now could be the straw that breaks the camel's back. We need to be absolutely sure about where we take our next step, one wrong move and its death. While we need to move expeditiously towards a truly sustainable economy, we have to be careful of quick buck for profit schemes that pass themselves off as something they are not. There's enough existing roof space in Hawaii to power the entire island with solar, even the transportation sector. Incentives to promote home and commercial rooftop solar is the best way forward, because it puts money in the pocket of the working class, decentralizes the grid which makes it safer and more dependable and does not destroy land through commercial development.

**SB-2057**

Submitted on: 1/28/2022 12:35:19 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Huihsin Chung       | Individual          | Oppose                    | No                                |

Comments:

Senate Bill SB2057, appears to be designed specifically for Hu Honua - to escape its Judicial PUC roadblock, scheduled for Monday 2/31/22!! HU Honua, this past week filed for a HI Sup. Court appeal that would essentially remove the PUC's ongoing oversight - and ability to pursue the best public interest - if you pass 2057. This move by Hu Honua is particularly sinister - and you MUST realize that you are about to have blood on your hands if you vote for this equally sinister legislation. 2057 is YOUR abdication of duty representing your voting constituents so as to hand a free pass for further corporate crime - directly to these non/resident profiteers!

The two existing proposals for this 'bioenergy' in Hawaii are Hu Honua Bioenergy on the Big Island and a proposal to convert the AES coal station to burning wood pellets.

Both the Statute and EPA Directive require that for bioenergy to be considered 'renewable' harvesting forest for energy cannot 'result in conversion of forest to non-forest use'.

Kamehameha Schools owns 12,000 acres of the 20,000 acres of Eucalyptus forest confirmed for Hu Honua use. Kamehameha Schools has stated publicly that the forest will NOT be regrown on its lands after harvesting.

Parker Ranch, whose 10,000 acres of trees may be available to Hu Honua has not committed to regrowing the forest following harvest. The federal statute and EPA directive do not allow that forest may be grown at some other site to qualify the bioenergy as renewable but that forest cannot be converted to non-forest use.

Warren Lee, President of Hu Honua, has differentiated his project from 'renewable energy'. Pacific Business News states, "The plant's purpose was to replace fossil fuel generation, not renewable energy."

Hu Honua would emit 2.2x more Greenhouse Gas per KWh electricity produced than the Big Island's largest power plant, which burns kerosene.

Solar Plus Storage facilities on the Big Island will charge Hawaiian Electric \$0.08 per KWh of electricity produced. Hu Honua proposes charging initially \$0.22 per KWh increasing toward \$.30 per KWh, approximately 3x the charges of the Solar Plus Storage projects. This is NOT in the interest of your resident, voting constituents. PERIOD!!! This is WHY we need PUC oversight and gate keeping.

Hu Honua discloses in their 2019 GHG Analysis that it would emit approximately 2.1x more GHG per KWh electricity produced than the facilities which it replaces. ALSO NOT in the interest of islanders or the survival of our planet.

The DCCA Consumer Advocate at the PUC has submitted testimony that 58% of the electricity generation which Hu Honua would replace would be other renewable sources (zero emitting wind, solar or geothermal) whereas 42% would be fossil fuels.

Big Island's largest power facility, Hamakua Energy Partners, burns jet fuel (Kerosene). Hu Honua will emit 2.2x more Greenhouse gas per KWh of electricity produced than that facility. Proposed and currently being built Solar plus Storage facilities on the Big Island will charge Hawaiian Electric \$.08 per KWh of electricity produced. Hu Honua proposes charging initially \$.22 per KWh increasing toward \$.30 per KWh, approximately 3x the charges of the Solar plus storage projects.

**STOPTHIS EGREGIOUS SB2057. NOW**

**SB-2057**

Submitted on: 1/28/2022 12:51:26 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Christine Heath     | Individual          | Oppose                    | No                                |

Comments:

**My name is Christine J Heath and I am a resident of Papaaloa, HI and I am submitting testimony to oppose SB2057, which I believe would exempt Hu Honua and other existing Purchased Power Agreements from PUC review by now applying to lower their previous exorbitant rates. Not all reduction of current PPA rates are in the public interest and merit automatic approval! Furthermore, the six month time period curtails the ability to have public review.**

**SB-2057**

Submitted on: 1/28/2022 1:00:11 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Andrea Nandoskar    | Individual          | Oppose                    | No                                |

Comments:

Strongly oppose.

Mahalo for your consideration.

**SB-2057**

Submitted on: 1/28/2022 1:11:43 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b>  | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|----------------------|---------------------|---------------------------|-----------------------------------|
| Samson Poomaihealani | Individual          | Oppose                    | No                                |

Comments:

Aloha, My name is Samson Po'omaihealani and I am a resident of Papa'aloa, Hi. I am submitting testimony in opposition to SB 2057. I believe this bill would exempt Hu Honua and other existing Purchased Power agreements from PUC review by now applying to lower their exorbitant rates. Not all reduction of current PPA rates are in the public interest and merit automatic approval. Furthermore, the 6 month time period limits the amount of public review and community participation. Mahalo

--

**SB-2057**

Submitted on: 1/28/2022 1:23:06 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Tawn Keeney         | Individual          | Oppose                    | No                                |

Comments:

Testimony SB2057

Senators Wakai, Misalucha, Lee, Riviere and Fevella,

Let us not forget that most all applications for Power Purchase Agreements in the future will be from Renewable Sources. Consequently this will begin to affect most all the PUC's work with a 180 Day Deadline. No reason has been given to suggest why non-renewable sources such as fossil fuel power generation PPA's should not also be subject to the 180 day limitation. Until such reason is given this certainly suggests a deficiency in this bill. The limitation of either 9 months or 6 months should apply to either fossil or renewable or other generation source until such reason is given.

A second deficiency lies in the wording, and therefore possibly the intent of the bill. I will propose that there are situations wherein delays are unavoidable. I am not familiar enough with the workings of the PUC to give examples, but by virtue of the fact that the current wording of HRS 269-16(d) states: "the Public Utilities Commission will make every effort to complete its deliberations concerning ratemaking proceedings and issue its decision as expeditiously as possible within nine months from the date a public utility filed a certain application." suggests that there may be circumstances that preclude a decision within this period. Rather than deny that such circumstances may exist as is evident in the wording of this current bill, a much better proposal would be to retain the previous acknowledgement of possible extenuating circumstances and retain the wording in the current 269-16(d) but to change the period of consideration of the application from 9 months to 6 months. I am confident that the PUC is highly motivated to facilitate early decision making and I must leave it to the judgment of that body whether six, rather than nine, months is a practical goal.

A third deficiency is in the proposed 269(b) describing amendments subsequent to an approved PPA. It should be specified that this applies to an approved and currently in effect PPA. Also, it must specify that this clause applies only to an amendment to the unit price of energy or energy potential. For instance, an amendment might be offered to an existing PPA which modifies the duration of the agreement while at the same time lowering the unit price of the energy. It must be clear that the PUC must exert authority over at least the duration portion of the Agreement. We should defer to the PUC to understand if there might be reason why their authority need not be exercised in respect to the lowered unit price of energy.

In conclusion, the intent of the bill is worthy. However, without the above changes to the language, and without ultimate consideration for the judgment of the PUC in the matter of this Bill, I cannot support its passage.

Mahalo for your consideration,

Tawn Keeney MD



**SB-2057**

Submitted on: 1/28/2022 1:43:23 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| Submitted By | Organization | Testifier Position | Remote Testimony Requested |
|--------------|--------------|--------------------|----------------------------|
| Noel Morin   | Individual   | Oppose             | No                         |

Comments:

Aloha,

Thank you for the opportunity to testify. I'm **opposed** to this measure as it paves a path for changes that could be detrimental to our people. The following is especially concerning:

"For any power purchase agreement previously approved by the public utilities commission, any subsequent amendments thereto shall not require approval of the public utilities commission; provided that the amended power purchase agreement reduces the unit price of the energy or energy potential from the previously approved power purchase agreement."

What if the amendment introduces a substantial change to the due process that is currently a meaningful part of the protocol. We need the PUC to be empowered to make the right decisions.

This will have undesirable and egregious consequences for Hawaii.

Sincerely,

Noel Morin

**SB-2057**

Submitted on: 1/28/2022 1:51:26 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Paul Bernstein      | Individual          | Comments                  | No                                |

Comments:

Aloha Chair Wakai and Vice Chair Misalucha:

I'm writing to raise questions about SB2057. The intent of the bill seems good in that it would accelerate the review process for renewable generation projects. But from my work on the Honolulu City's Climate Action Plan, it seems the biggest problem is the follow through after a project is approved. It seems that we need to do more to work with communities where the resources will be placed, and more work is needed to secure lands on which renewable energy projects can be built. So I wonder if the approval process is really the bottleneck to increasing our supply of generation from renewable resources, or rather is it the laws around land use?

Mahalo nui loa for considering my question.

Paul Bernstein

**SB-2057**

Submitted on: 1/28/2022 2:06:20 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Jeff Mcknight       | Individual          | Oppose                    | Yes                               |

Comments:

Senate Bill 2057, appears to be designed specifically for Hu Honua - to escape its Judicial PUC roadblock, scheduled for Monday 2/31/22!! SB2057 would neutralize the PUC's ongoing oversight

The two existing proposals for this 'bioenergy' in Hawaii are Hu Honua Bioenergy on the Big Island and a proposal to convert the AES coal station to burning wood pellets.

Both the Statute and EPA Directive require that for bioenergy to be considered 'renewable' harvesting forest for energy cannot 'result in conversion of forest to non-forest use'.

Kamehameha Schools owns 12,000 acres of the 20,000 acres of eucalyptus forest confirmed for Hu Honua use. Kamehameha Schools has stated publicly that the forest will NOT be regrown on its lands after harvesting.

Parker Ranch, whose 10,000 acres of trees may be available to Hu Honua has not committed to regrowing the forest following harvest. The federal statute and EPA directive do not allow that forest may be grown at some other site to qualify the bioenergy as renewable, but that forest cannot be converted to non-forest use.

When the Hu Honua power plant was initially proposed, it was marketed as using a "renewable" energy source, because the eucalyptus forest that is to provide the wood that is to be burned to create the power is supposedly eternally renewable. The company had stated that it can provide 100% renewable energy at the cost agreed to in the power purchase agreement. Promises were made to the PUC that they would generate 2000,000MW per year without negatively impacting the environment. Since burning trees only becomes carbon neutral after replanted trees reach the same maturity level as those that were burned, a net reduction in carbon emissions would not be realized, and by that time it would be too late. According to Bill McKibben, "If you burn a tree then you put a lot of carbon into the atmosphere right away trapping heat at precisely the moment that we desperately need to be cooling the Earth. A slowly growing new tree won't suck it all back up until we have broken the back of the climate." Global temperatures will have exceeded a 1.5 degree increase resulting in irreparable harm to our fragile ecosystem.

Energy production must not cause external damage to our planet. And Hu Honua would do that in major respects by increasing the carbon load on the environment. This makes the Hu Honua power plant unsustainable, in violation of Hawaii's law requiring Hawaii's governmental actions

to promote sustainability and reduce greenhouse gas emissions. See e.g the goal of HRS 226-18(a)(8) to “Support actions that reduce, avoid, or sequester greenhouse gases in utility, transportation, and industrial sector applications.”

Hu Honua discloses in their 2019 Greenhouse Gas Analysis that it would emit approximately 2.1x more GHG per KWh electricity produced than the facilities which it replaces. This is NOT in the interest of islanders or the survival of our planet

Solar Plus Storage facilities on the Big Island will charge Hawaiian Electric \$0.08 per KWh of electricity produced. Hu Honua proposes charging initially \$0.22 per KWh increasing toward \$.30 per KWh, approximately 3x the charges of the Solar Plus Storage projects. This is NOT in the interest of your resident, voting constituents. PERIOD!!! This is WHY we need PUC oversight and gate keeping.

**SB-2057**

Submitted on: 1/28/2022 2:11:46 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Margaret Wille      | Individual          | Oppose                    | No                                |

Comments:

The legislature should not cower to Hu Honua. The state needs to have more control over such an entity not less.

Thanks for listening.

~Margaret Wille

**SB-2057**

Submitted on: 1/28/2022 2:43:47 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Matthew Geyer       | Individual          | Comments                  | Yes                               |

Comments:

I have been led to believe that this bill is an attempt to get Hu Honua approved. Please amend this bill to exclude and tree or wood burning power plant as burning trees for power is worse than burning coal for the environment and for rate payers.

**SB-2057**

Submitted on: 1/28/2022 3:04:57 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Cara Oba            | Individual          | Oppose                    | No                                |

Comments:

Senators Wakai, Misalucha, Lee, Riviere and Fevella,

While I appreciate the general intent of speeding up approvals of energy projects to more quickly develop our state’s renewable energy portfolio, I am nervous that this bill may not be mindful of the role of the PUC in providing adequate oversight and customer protections. We cannot assume that all new projects, even if labeled as “renewable,” will inherently be in the best interest of consumers (economic perspective), the longer term energy needs of the state, or our livable environment. The PUC process allows for public participation and in shortening the timeframe for review, we will be making the process less democratic.

Allowing for exemptions of power purchase agreement amendments or defaulting to an approval for applications erodes our rights as citizens in bypassing PUC review. We can’t foresee the future and it seems inadvisable to remove the power to review. How do we know that price reductions are inherently positive for the community? What are the outcomes if there are numerous projects submitted for review — both in the public interest and not? Will the shortened time frame encourage a more hasty review? Will it encourage an intentional gaming of the system to try to bypass review? It would be unfair to applicants if projects are subjected to differing levels of scrutiny and some passed on to automatic approval merely due to time limitations. Shortening the timeframe for review will inherently also shorten duration for public participation. Data provided by colleagues who have participated in the PUC process suggested that to date, the majority of uncontested cases were approved within six months. What I would gather is that this bill may be pushing these contested cases to faster approval. This is wholly undesirable. Rather than change this process, perhaps we should consider other parts of the process that can be supported to hasten the start of these projects. Perhaps if we wish to speed along our renewable energy portfolio, the state should focus on supporting and encouraging more and better test projects and providing companies that have been granted approval more support — the processes that come before and after the PUC involvement. Please do not undermine the review process that helps to protect and engage all private citizens in this state. I do not support this bill and encourage you to reconsider.

Thank you for your consideration,

Cara



**SB-2057**

Submitted on: 1/28/2022 3:26:15 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Kyle Oba            | Individual          | Oppose                    | No                                |

Comments:

We should not bypass the PUC process. That is the wrong approach to this. And my understanding is that the PUC is not the source of the stated issues.

## SB 2057 TESTIMONY

To: Committee on Energy, Economic Development, and Tourism  
Hearing on Jan. 31, 2022 at 3:00 pm

From: John Kawamoto

Position: Oppose

Climate change is accelerating as greenhouse gases in the atmosphere rise relentlessly. Storms, wildfires, droughts, heat waves, and floods have become more extreme and more prevalent, portending a catastrophic global future. Drastic action is needed to avert the collapse of civilization.

Hawaiian Electric Industries contributes to climate change because it burns fossil fuel to generate electricity. The company is transitioning to renewable energy, but only because of regulations imposed by the Public Utilities Commission (PUC). If left to its own devices, Hawaiian Electric Industries would burn fossil fuel to optimize profits for its shareholders, despite the impact on climate change.

By contrast, the PUC is driven by the public interest. It is in the public interest to preserve the environment and control climate change. The public interest often conflicts with profitability, and the public interest is always paramount.

SB 2057 limits the ability of the PUC to deliberate on certain types of projects. The bill also removes the authority of the PUC to decide on modifications to certain types of projects. In doing so, SB 2057 restricts the PUC and its responsibility and obligation to advance the public interest.

For the foregoing reasons, I oppose SB 2057.

**SB-2057**

Submitted on: 1/28/2022 10:54:11 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Dylan Ramos         | Individual          | Oppose                    | No                                |

Comments:

Aloha Chair Wakai, Vice Chair Misalucha, and EET Committee members,

I oppose SB2057 for several reasons. For starters, it implements a deadline that may curtail public and PUC review when it's most needed -- on a complex and/or controversial project. Also, this proposed change is rationalized by a misunderstanding. Most recent project delays have simply been due to pandemic-induced employment and supply chain disruptions. Timely approval of power purchase agreements by the PUC has not been the issue. Lastly, I am concerned about proposed exemptions that may benefit certain projects that, though currently categorized and promoted as "renewable energy," may be more harmful to us than fossil fuels. Thank you for considering this testimony.

Mahalo,  
Dylan Ramos

**TESTIMONY IN OPPOSITION TO SB 2057**

Chair Wakai, Vice Chair Misalucha, and Committee Members:

My name is Richard Wallsgrove and I am a professor of law at the William S. Richardson School of Law, University of Hawai'i at Mānoa, where I teach energy law and policy along with various other business law and environmental law courses. Prior to joining the law school, I was a frequent participant in regulatory proceedings before the Hawai'i Public Utilities Commission (PUC). This testimony is submitted in my personal capacity.<sup>1</sup> I thank the Committee for allowing me this opportunity to participate in its consideration of this bill.

**I am writing to share substantial concerns with SB 2057**, which seeks to impose an arbitrary deadline on important decisions by the PUC. Plainly, the bill is well intentioned. I share the bill's concern with ensuring that Hawai'i continues to rapidly shift away from fossil fuels. However, the bill imposes an extraordinarily blunt policy tool that is mismatched with important aspects of PUC decision-making. I teach my 8-year-old son that it is better to take the time to complete his school work properly the first time, rather than rush it and spend *more time* correcting mistakes brought on by the rush. The same lesson applies here.

My concern with SB 2057 is based on three observations:

**1. SB 2057 Addresses the Wrong Problem.** The PUC's existing timeline to review proposed power purchase agreements is not based on pernicious delay. If the commission were guilty of intentionally dragging its feet on renewable energy proposals in favor of existing fossil fuels, then SB 2057 would be an appropriate policy tool. But this is not the case. In my experience, the Commission and its staff are typically hard working, analytical, and judicious in rendering decisions. The timeline to review proposed projects and rate cases is a function of the **complexity** of those decisions, the commission's inherent **need to prioritize** various parts of its own docket, and the **procedural safeguards** designed to protect the public interest. SB 2057 discounts all three of these real-world factors.

**2. SB 2057's Arbitrary Scope and Timeline.** Although the bill states a concern for "the need to more timely facilitate the approval of renewable energy matters," its substance is actually tightly focused on just a slice of the PUC's docket. The bill's applicability to large projects of 5 megawatts or greater is of particular concern. This suggests that the commission should prioritize decision-making for larger-scale renewable energy development over community-scale and distributed energy infrastructure. It also suggests that decision-making for larger projects should take less time than for smaller options. **SB 2057's counterintuitive policy choice is a relic of the 20<sup>th</sup> century.** In the 21<sup>st</sup> century, smaller-scale energy development is proving to

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<sup>1</sup> This testimony is submitted solely on my own behalf and not on behalf of the University of Hawai'i nor any other entity.

be nimble, favorable in the eye of communities, and a good match for Hawai'i's land use needs and priorities. While there are indeed potential roles for energy infrastructure larger than 5 megawatts, a policy that grants those projects *priority* is difficult to justify. Moreover, the choice of 180 days is not tethered to a quantitative analysis of the necessary steps in these decisions. In light of the urgency of decarbonization, **why not 179 days?** Or even better, 100 days? 60 days? PUC decisions are too important to make them subject to arbitrary deadlines. It is also concerning that the bill does not provide any sufficient mechanism to consider possible scenarios in which the deadline should sensibly be extended—or accelerated.

**3. SB 2057 Risks Slowing the Energy Transition.** Perhaps most worrisome, my experience suggests that even a well-intentioned policy like SB 2057 poses a serious risk that it will slow the energy transition. This risk could materialize in a variety of ways. For example, one might assume that a commission pressed with decision-making in a complex scenario may err on the side of caution, and *reject* a proposal if there is not enough time to work through the processes necessary to consider alternative or alterations. More broadly, an arbitrary deadline **risks trampling procedural rights** for participants—particularly for communities whose voice is too often unheard in regulatory decisions such as these. In other areas of the law (e.g. section 4 of the Endangered Species Act), deadlines for regulatory decision-making are associated with laws that *promote* citizen participation. SB 2057 does the opposite, granting an arbitrary regulatory deadline in favor of a project proposer over other participants. Participating in PUC dockets can be complicated and daunting. Rushing the process would only exacerbate that challenge. And ultimately, if the public does not feel that that rights are properly protected by deliberative processes, the legitimacy of the energy transition will be put at risk.

I urge the Committee to reject SB 2057. Rather than storm ahead with a mismatched policy tool, a more effective approach may be to ask the PUC and a broad array of stakeholders to collaboratively assess opportunities to improve the process and timeline for rendering decisions in many types of dockets.

Thank you again for the opportunity to testify on this important matter.

**SB-2057**

Submitted on: 1/29/2022 9:45:09 PM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Koohan Paik         | Individual          | Oppose                    | No                                |

Comments:

OPPOSE

**SB-2057**

Submitted on: 1/30/2022 9:19:57 AM

Testimony for EET on 1/31/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| jeanne wheeler      | Individual          | Oppose                    | No                                |

Comments:

I oppose this bill, mainly because it doesn't allow enough time for public review of decisions. JW