



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
Senate Committee on Ways and Means  
Friday, February 26, 2021 at 9:30 a.m.

By

Richard Rocheleau, Director  
Hawai'i Natural Energy Institute  
University of Hawai'i at Mānoa

Chair Dela Cruz, Vice Chair Keith-Araran, and members of the Committee:

The Hawai'i Natural Energy Institute (HNEI) supports the intent of this bill and provides the following comments.

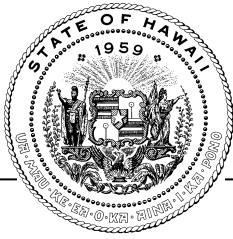
SB 243 SD1 requires the following:

1. Hawai'i Natural Energy Institute to develop a strategic plan that outlines benchmarks to achieve a 100% renewable energy portfolio standard and to submit the strategic plan to the Legislature before the Regular Session of 2023; and,
2. Hawai'i Natural Energy Institute to conduct a feasibility study on the State's ability to achieve its renewable energy goals by 2045 and to submit its findings and recommendations to the Legislature no later than twenty days prior to the convening of the regular session of 2023.

Firstly, HNEI believes the development of a strategic plan by the Hawaii State Energy Office with the participation and validation of feasibility by HNEI is an appropriate sharing of responsibility but if tasked by the legislature in accordance with the current language, HNEI will of course work to meet this requirement.

Secondly, HNEI welcomes the opportunity to contribute to the planning and evaluation of the feasibility of the State achieving its 100% renewable electricity goal by 2045. HNEI currently conducts, at five-year intervals, an assessment of the likelihood of the utility to meet the State's RPS goals that, as required by prior legislation, is reported to the Hawaii Public Utilities Commission. Additionally, HNEI conducts ongoing studies to identify the major barriers to continued progress toward the State's goals that are included in HNEI's Annual Report to the legislature. While this legislation expands that effort, HNEI currently has adequate funding from the Energy Systems Development Special Fund (ESDSF) to complete this task, contingent on continuation of funding under ESDSF.

Thank you for the opportunity to provide this written testimony on SB243 SD1.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE  
GOVERNOR

SCOTT J. GLENN  
CHIEF ENERGY OFFICER

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Testimony of  
**SCOTT J. GLENN, Chief Energy Officer**

before the  
**SENATE COMMITTEE ON WAYS AND MEANS**

Friday, February 26, 2021  
9:30 AM  
State Capitol, Conference Room 211 & Videoconference

In support of  
**SB 243, SD1**  
**RELATING TO RENEWABLE ENERGY.**  
(Written Testimony Only)

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports with comments and proposed amendments SB 243, SD1, provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget. SB243, SD1 assigns to the Hawai'i Natural Energy Institute (HNEI) the tasks of developing a strategic plan for the electricity sector, conducting a feasibility study of producing 100% of the State's electricity from renewable sources by 2045, and submitting both the strategic plan and the renewable energy feasibility study to the Legislature prior to the legislative session of 2023.

HSEO agrees that an updated energy strategy is needed and notes that SB 243, SD1 omits the HSEO from the list of stakeholders with which HNEI would be tasked to collaborate. HSEO appreciates the need for a lead entity to synthesize, envision, explain, and hear how Hawai'i's several related statutes regarding energy and the zero emissions clean economy target will be achieved and believes that HSEO is the agency best suited to undertake this work with the support and collaboration of HNEI, which is well-suited to analyze and validate the feasibility of such strategies. HSEO notes that HNEI already conducts a feasibility analysis every five years on the ability of the utilities

to meet the State's renewable portfolio standards (RPS) and various technical studies on barriers to achieving the RPS.

Directing the HSEO to prepare this strategy is consistent with Section 196-71, Hawai'i Revised Statutes (HRS), which states:

...The purpose of the Hawaii state energy office shall be to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy.

(b) The Hawaii state energy office shall:

- (1) Provide analysis and planning to actively develop and inform policies to achieve energy efficiency, renewable energy, energy resiliency, and clean transportation goals with the legislature, public utilities commission, state agencies, and other relevant stakeholders;

Moreover, the Legislature is contemplating proposed bills that would amend HSEO's enabling statute to direct HSEO to "Create and execute a state strategic energy plan with milestones and key performance indicator metrics based on this section."

HSEO notes that in Senate Standing Committee Report 173, the Senate Committee on Energy, Economic Development, and Tourism amended SB 243 by:

- (1) Requiring the Hawaii Natural Energy Institute to establish a strategic plan through the Department of Business, Economic Development, and Tourism and in cooperation with the Office of the Governor;

HSEO also notes comments made at the subject matter committee hearing that HNEI has available funding to undertake this effort, while HSEO would require an energy security special fund spending ceiling be established to access existing funds, or a direct general funds appropriation.

To better effectuate the purpose as stated in SB 243, SD1 and in the committee report, HSEO recommends amending SB 243, SD1 Section 2 (a) to read:

"(a) The Hawaii natural energy institute of the university of Hawaii, shall contract with the Hawaii state energy office, an attached agency to the department of business, economic development, and tourism, to establish a strategic plan that identifies clear benchmarks to..."

HSEO's proposed amendment would be consistent with the language and intent of these proposed bills and need for funding to support such an effort.

HSEO acknowledges and thanks the Committee on Energy, Economic Development, and Tourism for the additional time in SB 243, SD1, which would allow all involved in this effort to make use of the significant work that is currently underway. According to the most recent Integrated Grid Planning update, a new integrated system plan is expected by January 2023.<sup>i</sup> Extending the deadline in SB 243 allows for the opportunity to include the proceedings and draft results of the Integrated Grid Planning process in such a strategy, although the final results would not be ready in time for the deadline as set in SB 243, SD1.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

Thank you for the opportunity to testify.



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SENATE COMMITTEE ON WAYS & MEANS  
Friday, February 26, 2021 — 9:30 a.m.

**Ulupono Initiative supports the intent of SB 243 SD 1, Relating to Renewable Energy.**

Dear Chair Dela Cruz and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

**Ulupono supports the intent of SB 243 SD 1**, which requires the Hawai'i Natural Energy Institute to develop a strategic plan that outlines benchmarks to achieve a 100% renewable energy portfolio standard and to submit the strategic plan to the Legislature before the Regular Session of 2023. This bill also requires the Hawai'i Natural Energy Institute (HNEI) to conduct a feasibility study on the State's ability to achieve its renewable energy goals by 2045 and to submit its findings and recommendations to the Legislature no later than twenty days prior to the convening of the regular session of 2023.

We note that Hawaiian Electric along with a diverse group of stakeholders is presently engaged in long-term strategic planning in the Integrated Grid Planning docket (IGP). The intent of this proceeding is to identify pathways to 100 percent renewable energy that provide an optimized portfolio of resources that meet the needs of customers and Hawai'i's electric system. As Hawai'i is the first state to take this approach to electric system planning, the participation and commitment from interested stakeholders, especially Department of Business, Economic Development and Tourism (DBEDT) and the Hawai'i State Energy Office (HSEO), is most welcomed. A central feature of the IGP proceeding is the high level of stakeholder involvement and participation, which consists of technical experts, community organizations, and a number of state entities, including the Consumer Advocate and the Public Utilities Commission. It would be in the State's interest if DBEDT and HSEO contributed to this proceeding to ensure the planning process is aligned with their needs and expectations. We further note that HNEI is already involved in the IGP proceeding, serving as one of the members of the IGP's Technical Advisory Panel (TAP). The purpose of the TAP is to provide an independent technical assessment of the process, methods, and results of the IGP. However, as Hawai'i's energy issues become increasingly

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complex and challenging, we appreciate this committee's efforts to look at policies that reduce the State's overall energy demand. It is important for the State to develop a plan with benchmarks, and determine ways in which the State can facilitate the achievement of this critical goal. Therefore, it may still be of value for DBEDT and HSEO to also conduct an independent strategic plan if the department/agency does not find the outcome of the IGP effort to be satisfactory.

UluPono supports this bill as it attempts to identify the way in which the State will achieve its renewable energy goals by 2045. We would like to note that the State should consider having the Hawai'i State Energy Office oversee HNEI's work on the study to ensure the expected connection between the research entity and the agency responsible for that sector.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata  
Director of Government Affairs



**Hawaiian  
Electric**

**TESTIMONY BEFORE SENATE COMMITTEE ON  
WAYS AND MEANS**

**S.B. 243 S.D. 1**

**Relating to Renewable Energy**

Friday, February 26, 2021  
9:30 am, Agenda Item #12  
State Capitol, Conference Room 211

Marc Asano  
Director, Transmission & Distribution Planning  
Hawaiian Electric

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

My name is Marc Asano and I am testifying on behalf of Hawaiian Electric in support of **S.B. 243, S.D. 1**, Relating to Renewable Energy. The bill requires the Hawai'i Natural Energy Institute (HNEI) to develop a strategic plan that outlines benchmarks and feasibility in archiving Hawai'i's 100% renewable energy portfolio standard.

Hawaiian Electric offers the following comments for consideration to S.B. 243, S.D. 1:

- The strategic plan should take a “systems” approach and consider the entire energy ecosystem (i.e., electrification of transportation, the gas sector, among others). Section 2 and Section 3 of the bill should more directly include a feasibility study, and findings and recommendations to achieve any decarbonization policies, including their impact on 100% renewable portfolio standards.

- Hawaiian Electric also offers a suggestion to Section 2 (a) (1) on page 2, line 13 to read: ...“including the use of renewable fuels as defined by HRS 269-91 or the temporary use of alternative fuels that may be used as bridge fuels.”

Hawaiian Electric supports S.B. 243, S.D.1. Thank you for this opportunity to testify.



**LATE**

**SB-243-SD-1**

Submitted on: 2/25/2021 4:55:47 PM

Testimony for WAM on 2/26/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Bohlen	Testifying for Climate Protectors Hawaii	Support	No

Comments:

To: The Honorable Donovan Dela Cruz, Chair, The Honorable Gilbert Keith-Agaran, Vice Chair, and members of the Senate Committee on Ways and Means

From: Climate Protectors Hawaii (by Ted Bohlen)

Re: Hearing SB243 SD1 RELATING TO RENEWABLE ENERGY.

Friday February 26, 2021, 9:30 a.m., Rm. 211 and by videoconference

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

Position: **SUPPORT SB243 SD1 BUT PROPOSE AMENDMENTS**

The Climate Protectors Coalition is a group focused on reversing the climate crisis. As a tropical island State, Hawaii will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become carbon negative as soon as possible.

SB243 SD1 assigns to the Hawai'i Natural Energy Institute (HNEI) the tasks of developing a strategic plan for the electricity sector, conducting a feasibility study of producing 100% of the State's electricity from renewable sources by 2045, and submitting both the strategic plan and the renewable energy feasibility study to the Legislature prior to the legislative session of 2023. HNEI is well-suited to analyze and validate the feasibility of such strategies. HNEI already conducts a feasibility analysis every five years on the ability of the utilities to meet the State's renewable portfolio standards (RPS) and various technical studies on barriers to achieving the RPS.

The Climate Protectors agree that an updated energy strategy is vital in order to achieve our carbon negative and RPS goals. But, **the Climate Protectors propose two amendments to SB243 SD1:**

1. The bill should **appoint the Hawaii State Energy Office as the lead entity to collaborate in this effort with HNEI**. HSEO is the State agency best suited to work with HNEI to synthesize, envision, explain, and hear how Hawai'i's several related statutes regarding energy should be coordinated and how the zero emissions clean economy target should be achieved; and

2. The HNEI and HSEO should also consider and **recommend what additional strategies would be needed to achieve the zero emission and carbon negative goals earlier than 2045, because 2045 is too late!** Recent information from climate scientists on carbon feedback loops and other information released since the Legislature set the "as soon as possible and not later than 2045" date shows that the situation is more dire than was realized even a few years ago. To avoid a climate calamity here in Hawaii, we must do more to achieve our goals sooner than 2045! Recommending such additional strategies would not commit the State to those additional acts, but it would be prudent for the State to have those recommendations in light of the latest scientific information.

The Climate Protectors SUPPORT passage of SB243 SD1 with these two proposed amendments.

Mahalo!

Climate Protectors Hawaii (by Ted Bohlen)