



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Tuesday, March 22, 2022
2:00 PM
State Capitol, Conference Room 329 & Videoconference

COMMENTS
**SB 2483, SD2, HD1
RELATING TO ENERGY.**

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 2483, SD2, HD1, which requires the Hawaii Natural Energy Institute to evaluate the benefits and costs of dispatching renewable energy resources considering the context of ongoing state energy planning efforts.

HSEO will continue to work with the Hawaii Natural Energy Institute and others in the evaluation, analysis, integration, and communication of the issues, options, technologies, resources, and policies to be considered in the energy sector, which is consistent with our statutory role.

HSEO defers to the appropriate agency regarding the implementation and fiscal impacts of this measure.

Thank you for the opportunity to testify.



Testimony to the Committee on Consumer Protection & Commerce

Monday, March 21, 2022

2:00 PM

**VIA Video Conference and Conference Room 329, Hawaii State Capitol
SB 2483 SD2 HD1**

Chair Johanson, Vice Chair Kitigawa, and members of the committee,

Hawaii Clean Power Alliance (HCPA) **supports** SB 2483 SD2 HD1 with amendments, which includes an objective in energy-related planning for the State's facility systems that all new utility scale electricity generation projects be renewable; includes state policies that ensure short-and long-term provision of adequate, reasonably priced, and dependable renewable energy services, prioritizing the dispatch of renewable energy generation; updates the State's policies to ensure that all new utility scale electricity generation, and include the use of non-fossil fuel sources in the development or expansion of energy systems; appropriates money.

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.

In Hawaii, the electric utilities has sole discretion over what power is dispatched onto the grid, while in other jurisdictions across the mainland, that discretion sits with an Independent Systems Operator (ISO), thus ensuring an unbiased mix of energy is dispatched and any perceptions of conflict of interest are avoided. Currently in Hawaii, there is generation of renewable energy available for the grid, but the terms of the contract with the utilities prevent the curtailed energy from being used for any other purpose, wasting that valuable energy in favor of fossil fuels.

The original intent of SB 2483 was to encourage the utility to dispatch renewable energy on the grid instead of curtailing this energy in favor of fossil fuels. That intent is even more important now, as the rising prices of oil due to various global issues are further proof that Hawaii must establish its independence from oil imports by producing its own, local renewable energy.

Due to the utilities' discretion in dispatching energy onto the grid, fossil fuels are often dispatched based solely on costs. While fossil fuel remains a viable fuel source, given our goal to decarbonize, it simply makes sense to consider renewable energy before resorting to

fossil fuels when making dispatching decisions. This original bill recognizes that need and makes renewable energy our future standard.

In Hawaiian Electric Company Key Performance Metrics, (<https://www.hawaiianelectric.com/about-us/key-performance-metrics/renewable-energy>), it is reported that there was a 38.4% RPS compliance in Q4/2021. However, the curtailed energy by Island in any given quarter since 2020 ranges anywhere from .30% up to 20.46%. That is wasted renewable energy. The original intent of this bill will help to ensure more available renewable energy be used on the grid to displace fossil fuel while also considering costs and reliability in dispatching energy on the grid.

To achieve our shared decarbonization goals, the planning and policies reflected in legislative and regulatory proceedings must all reflect renewable priorities. This bill allows for that, bringing these efforts onto common ground, which is essential if our 2045 goal is to be achieved.

Transparency in this sector is more crucial than ever, with renewable energy generators bringing new fuel to the market while the utility continues to have exclusive control over the grid's output. We appreciate the utility's focus - and truly, the focus of all in the sector - to bring affordable and reliable energy to Hawaii's ratepayers, which is why we also appreciate the bill's recognition that the utility be able to "consider the least-cost energy supply option."

We urge the committee to amend this bill to revert back to SB2483 SD2 and pass accordingly.

Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Consumer Protection & Commerce
Tuesday, March 22, 2022 at 2:00 p.m.

By
Richard Rocheleau, Director
Hawai'i Natural Energy Institute
And
Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

SB 2483 SD2 HD1 – RELATING TO ENERGY

Chair Johanson, Vice Chair Kitagawa, and members of the committee:

SB 2483 SD2 HD1 proposes that “The Hawaii natural energy institute shall evaluate the benefits and costs of dispatching renewable energy resources considering the context of ongoing state energy planning efforts”. No additional detail is provided

HNEI **supports the intent** but offers the following comments.

Each year, 20 days ahead of the legislative session, HNEI reports on its activities including those funded in whole or in part by the Energy Systems Development Special Fund. As summarized in our most recent report, *“The ESDSF is used to leverage funding from federal and private sources; to develop and deploy technologies to reduce Hawai'i's dependence on fossil fuels; and to conduct analysis (often in support of the PUC) that directly supports Hawai'i's transition to a clean energy economy.”*

Consistent with our statutory role, HNEI collaborates with and provides analysis and technical assistance to key energy stakeholders including the Hawaii Public Utilities Commission, the Hawai'i State Energy Office, and the Hawaiian Electric Company (HECO) to address a range of issues. Included in these analysis are ongoing efforts to identify the costs and benefits of different renewable energy resources. In light of this, HNEI does not believe this legislation is necessary but if requested, HNEI would explicitly address the benefits and costs of dispatching renewable energy resources for inclusion in our annual report to the legislature.

HNEI has sufficient funds from its Barrel Tax allocation to include this effort in its portfolio of projects and does not need a separate appropriation at this time.

Thank you for the opportunity to provide this testimony on SB 2483 SD2 HD1.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE**

SB 2483 SD2 HD1

Relating to Energy

Tuesday, March 2, 2022

02:00 pm, Agenda Item #21

State Capitol, Conference Room 329 & Videoconference

Marc Asano

Director, Integrated Grid Planning

Hawaiian Electric

Chair Johanson, Vice-Chair Kitagawa, and Members of the Committee:

My name is Marc Asano and I am testifying on behalf of Hawaiian Electric

Company **in opposition to SB 2483 HD1**, Relating to Energy.

SB 2483 HD1 requires Hawaii Natural Energy Institute (HNEI) to evaluate the benefits and costs of dispatching renewable energy resources considering the context of ongoing state energy planning efforts

This bill is unnecessary as Hawaiian Electric is conducting the analysis that HD1 requires of HNEI as part of its ongoing Integrated Grid Planning (IGP) process, overseen by the Public Utilities Commission. The IGP process is the appropriate venue to analyze the value of dispatching renewable energy as this analysis is intertwined and dependent on the analytical work to first determine the least cost, reliable optimal mix of renewable energy. Additionally, HNEI serves as one of our independent technical advisors within the IGP process to evaluate analyses and studies that Hawaiian Electric conducts as part of the IGP process; including conducting their own independent analyses. Under the current Integrated Grid Planning schedule, Hawaiian Electric expects to have updated long-term resource portfolio plans later this year. The plans will

create a “living” document that will continue to evolve over the next thirty years as new technologies emerge and market conditions change.

Accordingly, Hawaiian Electric opposes SB 2483 HD1. Thank you for this opportunity to testify.

SB-2483-HD-1

Submitted on: 3/20/2022 9:13:23 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ashley D.K McGuire	Individual	Support	Written Testimony Only

Comments:

I support it

SB-2483-HD-1

Submitted on: 3/20/2022 9:28:41 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Suterra Soares	Individual	Support	Written Testimony Only

Comments:

I support this bill.

SB-2483-HD-1

Submitted on: 3/20/2022 9:33:03 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rob Duyao	Individual	Support	Written Testimony Only

Comments:

I support bill SB 2483 SD2 HD1 relating to energy.

SB-2483-HD-1

Submitted on: 3/20/2022 9:38:53 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alika Maikui	Individual	Support	Written Testimony Only

Comments:

Support. Thank you.

SB-2483-HD-1

Submitted on: 3/20/2022 9:40:04 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
aulii fernandez	Individual	Support	Written Testimony Only

Comments:

Support.

SB-2483-HD-1

Submitted on: 3/20/2022 9:42:34 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Georgette Nacis	Individual	Support	Written Testimony Only

Comments:

Support.

SB-2483-HD-1

Submitted on: 3/20/2022 9:44:39 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
aulani hood	Individual	Support	Written Testimony Only

Comments:

Please support.

SB-2483-HD-1

Submitted on: 3/20/2022 9:46:18 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
micah hood	Individual	Support	Written Testimony Only

Comments:

Support.

SB-2483-HD-1

Submitted on: 3/20/2022 10:18:54 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ray Tanonaka	Individual	Support	Written Testimony Only

Comments:

I support SB 2483.

SB-2483-HD-1

Submitted on: 3/20/2022 10:36:10 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beatrice Cabral	Individual	Support	Written Testimony Only

Comments:

Support

SB-2483-HD-1

Submitted on: 3/20/2022 11:30:12 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles	Individual	Support	Written Testimony Only

Comments:

I Support the SB2483 SD2 HD1

SB-2483-HD-1

Submitted on: 3/21/2022 8:52:07 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Felicia Graham	Individual	Support	Written Testimony Only

Comments:

As a full time resident, I support this bill.

SB-2483-HD-1

Submitted on: 3/21/2022 9:43:02 AM

Testimony for CPC on 3/22/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessie Chambers	Individual	Support	Written Testimony Only

Comments:

I support this bill.