



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**HOUSE COMMITTEE ON FINANCE**

Wednesday, April 6, 2022  
1:30 PM

State Capitol, Conference Room 308 & Videoconference

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

Chair Luke, Vice Chair Yamashita, 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.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Finance  
Wednesday, April 6, 2022 at 1:30 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 Luke, Vice Chair Yamashita, 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 this 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 and report the benefits and costs of dispatching renewable energy resources 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  
FINANCE**

**S.B. 2483 SD2 HD1**

**Relating to Energy**

Wednesday, April 6, 2022

1:30 pm, Agenda Item #12

State Capitol, Conference Room 308 & Videoconference

Marc Asano  
Director, Integrated Grid Planning  
Hawaiian Electric

Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

My name is Marc Asano and I am testifying on behalf of Hawaiian Electric Company **in opposition to S.B. 2483 HD1**, Relating to Energy.

S.B. 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 S.B. 2483 HD1. Thank you for this opportunity to testify.



**Testimony to  
The Committee on Finance  
Wednesday, April 6, 2022  
1:30 PM  
Conference Room 308 & Via Video Conference, Hawaii State Capitol**

**SB 2483 SD2, HD1**

Chair Luke, Vice Chair Yamashita, and members of the committee,

Hawaii Clean Power Alliance (HCPA) **supports** the original intent of SB 2483, 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 utility 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 it is being curtailed by the utility, 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 price of oil due to various global issues are driving energy costs up. Hawaii must establish its independence from oil imports by producing its own, local renewable energy.

Given our goal to decarbonize, it simply makes sense to prioritize renewable energy before dispatching fossil fuels. This original bill recognizes that priority 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.

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." In the utilities' new rate structure, the ratepayers pay for renewable energy projects even though the energy is not being dispatched, while also paying for the dispatch of the "least cost fossil fuel," resulting in even more cost to the ratepayer.

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

Thank you for the opportunity to testify.

**SB-2483-HD-1**

Submitted on: 4/4/2022 8:35:15 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
L Basha	Individual	Support	Written Testimony Only

Comments:

All data and metrics captured through programs like this will assist the transition away from carbon energy, which in turn will save the state money.

**SB-2483-HD-1**

Submitted on: 4/5/2022 9:28:10 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Debra Gavelek	Individual	Support	Written Testimony Only

Comments:

I support the original intent of this bill. Please revert back to the original bill's language.

Thank you



**SB-2483-HD-1**

Submitted on: 4/5/2022 9:50:28 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ross Wilson Jr.	Individual	Support	Written Testimony Only

Comments:

I support the bill's original intent. Please pass the bill to allow the bill's details to be worked out during conference.

**SB-2483-HD-1**

Submitted on: 4/5/2022 10:17:18 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael Carion	Individual	Support	Written Testimony Only

Comments:

I support the bill's original intent. Please pass the bill to allow the bill's details to be worked out during conference.

**SB-2483-HD-1**

Submitted on: 4/5/2022 11:53:22 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
John Gavelek	Individual	Support	Written Testimony Only

Comments:

I support the original intent of this bill. Please revert back to the original bill's language.

Mahalo!

**SB-2483-HD-1**

Submitted on: 4/5/2022 12:38:09 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jessie Chambers	Individual	Support	Written Testimony Only

Comments:

I SUPPORT THE BILL'S ORIGINAL INTENT

**SB-2483-HD-1**

Submitted on: 4/5/2022 2:39:13 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Joyce Barbarich	Individual	Support	Written Testimony Only

Comments:

I support the bill's original intent. Please pass the bill to allow the bill's details to be worked out during conference.