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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
**SENATE COMMITTEES ON
COMMERCE AND CONSUMER PROTECTION
AND
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

Tuesday, March 22, 2022
10:15 AM
State Capitol, Conference Room 229 & Videoconference

COMMENTS
**SCR 48
REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO
MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME
CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF
ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.**

Chairs Baker and Wakai, Vice Chairs Chang and Misalucha, and Members of the Committees, the Hawai'i State Energy Office (HSEO) offers comments on SCR 48, which requests the Public Utilities Commission to investigate how to consider efforts to mitigate high energy burdens for low- and moderate- income customers and investigate how to integrate energy equity and environmental justice across its work.

Hawai'i has one of the lowest homeownership rates in the country. Hawai'i has the highest average housing costs in the nation and the highest electricity rates in the nation. HSEO is intentionally including an equity viewpoint in its office, structure, planning, programming and projects. As HSEO works to more equitably advance Hawai'i's clean energy and climate goals, a successful path to a clean-energy and carbon-free economy requires green economic development innovation that creates living-wage jobs while enhancing environmental and social justice. To this end, HSEO and Hawai'i Energy partnered with other state and county agencies, including

representatives of the PUC, to establish the Energy Equity Hui focused on creating energy equity and justice programming outcomes.

This is also the second year that three full-time AmeriCorps Volunteers in Service to America (VISTA) service members are contributing to HSEO's efforts to make clean energy and clean transportation more accessible and affordable for all Hawai'i residents. The VISTAs, part of a six-member Climate Ready Hawai'i VISTA-AmeriCorps cohort coordinated by the Hawai'i Climate Change Mitigation and Adaptation Commission, were selected for their ability and commitment to help strengthen HSEO's capacity to serve vulnerable and under-represented communities.

SCR48 is also consistent with federal energy policies. In January, 2022 the United States Department of Energy (USDOE)¹ announced:

..This year, the Office of Economic Impact and Diversity established an Office of Energy Justice Policy and Analysis, which focuses on creating a policy framework to permanently reduce energy burden and increase access to low-cost clean energy capital in disadvantaged households.

...At DOE, we define **energy justice** as “the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those disproportionately harmed by the energy system” (Initiative for Energy Justice, 2019).

HSEO defers to the appropriate agency for the implementation and fiscal impacts of this measure and looks forward to working with it, and others, in accomplishing the objectives of SCR 48.

Thank you for the opportunity to testify.

¹ United States Department of Energy, Office of Economic Impact and Diversity, January 3, 2022. <https://www.energy.gov/diversity/articles/how-energy-justice-presidential-initiatives-and-executive-orders-shape-equity>

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

TO THE
SENATE COMMITTEES ON
COMMERCE AND CONSUMER PROTECTION
AND
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

March 22, 2022
10:15 a.m.

Chair Baker, Chair Wakai, and Members of the Committees:

MEASURE: S.C.R. No. 48 / S.R. 43

TITLE: REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.

POSITION:

The Public Utilities Commission (“Commission”) supports these resolutions and offers the following comments for consideration.

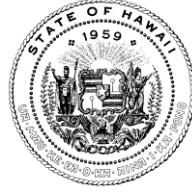
COMMENTS:

The Commission supports these resolutions, which intend to reduce energy burdens on LMI customers and other customer groups.

The Commission recognizes that utility costs are a source of financial strain for many LMI customers and has prioritized cost reductions and affordability in many of its proceedings, including general rate cases, power purchase agreements for low-cost renewable energy projects, and innovative programs such as the demand response portfolio that reduces costs to customers. In addition, in overseeing the efforts of the Public Benefits Fee Administrator (“Hawaii Energy”), the Commission has emphasized the importance of energy efficiency programs and services for hard-to-reach customers, including LMI customers.

The Commission will continue to support and develop reasonable measures that lessen the burden of energy costs on LMI customers and other customer groups, while integrating energy equity and justice throughout its work.

Thank you for the opportunity to testify on this measure.



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce and Consumer Protection
And
Senate Committee on Energy, Economic Development, and Tourism
Tuesday, March 22, 2022
10:15 AM
Conference Room 229 & Videoconference**

On the following measure:

**SCR 48/SR 43, REQUESTING THE PUBLIC UTILITIES COMMISSION TO
CONSIDER EFFORTS TO MITIGATE HIGH ENERGY BURDENS FOR LOW- AND
MODERATE-INCOME CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE
CONSIDERATIONS OF ENERGY EQUITY AND JUSTICE ACROSS ITS WORK**

Chairs Baker and 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 supports this resolution.

The purpose of this resolution is to request the Public Utilities Commission to consider efforts to mitigate high energy burdens for low- and moderate-income customers and investigate how to integrate considerations of energy equity and justice across its work.

Low-income households spend a larger percentage of their income on home energy costs making them vulnerable to energy insecurity. The COVID pandemic has caused significant economic hardship further increasing energy insecurity for low-

income as well as moderate-income households. This has resulted in a large increase in the number of households throughout the state that are now eligible for disconnection from electricity service. And while many households have received utility bill payment assistance during the COVID pandemic made possible by the federal government through programs such as the Emergency Rental Assistance program, these programs are only temporary and once closed will leave more low-income and moderate-income households vulnerable to disconnection.

The Department recognizes that certain communities, especially those in economically challenged areas, have shouldered the burden of hosting large renewable energy projects. As these projects have come before the Public Utilities Commission for approval, the Department has consistently recommended that more outreach, education and community benefits be provided by the renewable project developers to offset the burden being placed on these communities. The Department has also pushed for early and meaningful engagement so that a community's concerns can be adequately addressed. In addition, many of the programs meant to encourage adoption of new technologies tend to favor those households that are more affluent and have ready access to capital. While these programs and technologies help participating customers, vulnerable households do not have the same ability as other customers to take advantage of new programs and technology and could face even greater electricity bills resulting from these programs. Thus, the Department understands that more work needs to be done to bring energy equity to these communities and customers.

The Department appreciates the legislature's focus on energy equity and believes this is an important step in supporting our communities and families.

Thank you for the opportunity to testify on this resolution.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEES ON
COMMERCE AND CONSUMER PROTECTION
AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

SCR 48 / SR 43

**REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO
MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME
CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF
ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.**

March 22, 2022
10:15 AM, Agenda Item #4
State Capitol, Conference Room 229 & Videoconference

Peter Young
Director, Pricing
Hawaiian Electric Company

Good morning Chair Baker, Chair Wakai, and members of the Committees:

My name is Peter Young and I am testifying on behalf of Hawaiian Electric Company in **support of SCR 48 and SR 43**.

These resolutions ask the Public Utilities Commission to consider efforts to mitigate high energy burdens for low- and moderate-income (LMI) customers and investigate how to integrate considerations of energy equity and justice across its work. Hawaiian Electric agrees that these are issues that must be addressed.

The Company notes that there are regulatory initiatives under PUC review that are already underway that address several of the Resolution(s) issues in whole or in part in other regulatory dockets. The Advanced Rate Design track of DER Policies Docket No. 2019-0323 addresses rate design for all customers and specifically provides for proposed approaches to address consideration of relief for LMI customers.

Hawaiian Electric has filed a request for proposals for Renewable Dispatchable Firm Generation on O'ahu Power which includes a requirement for a community benefits package, which obligates developers to provide a certain amount of annual funding to a to-be-determined non-profit organization which would administer grants for community projects. In addition, the Company has worked to structure payment plan programs for customers who accumulated large electric bills over the COVID pandemic period and to communicate and educate customers on these expanded options. The Company will continue to work with the Commission and with stakeholders to address the issues raised by these Resolutions.

Accordingly, Hawaiian Electric supports SCR 48 / SR 43. Thank you for this opportunity to testify.