JOSH GREEN, M.D. GOVERNOR SYLVIA LUKE



LEODOLOFF R. ASUNCION, JR. CHAIR

NAOMI U. KUWAYE COMMISSIONER

COLIN A. YOST COMMISSIONER

Website: puc.hawaii.gov E-mail: puc@hawaii.gov

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Testimony of the Public Utilities Commission

To the Senate Committee on Energy and Intergovernmental Affairs

> March 11, 2025 3:02 p.m.

Chair Wakai, Vice Chair Chang, and Members of the Committee:

MEASURE: H.B. 1051, H.D. 1

TITLE: RELATING TO ENERGY EFFICIENCY PORTFOLIO STANDARDS

POSITION: The Public Utilities Commission ("Commission") supports this Administration bill and offers the following comments for consideration.

COMMENTS: The Commission appreciates the intent of this measure to extend and further develop the energy-efficiency portfolio standard ("EEPS") as established in Act 155, Session Laws of Hawaii 2009, and set into law as HRS §269-96. EEPS has been a successful policy for our state, serving as a critical component in support of our state's clean energy and decarbonization goals. In the sixteen years since establishment, the impact of the EEPS target has generated many successful energy-saving programs for Hawaii's residents and businesses, including those offered by Hawaii Energy (the energy efficiency implementer for Hawaiian Electric's customers), the Green Energy Market Securitization (GEMS) loan programs, Kauai Island Utility Cooperative's energy efficiency efforts, and other implementation initiatives throughout the state. As reported in the Commission's EEPS Report to the 2024 Legislature¹, it is estimated that Hawaii's EEPS target has helped local businesses and residents save more than \$5 billion in electricity costs, and over 3,000 GWh of energy savings.

¹ See PUC 2024 EEPS Report to the Legislature https://puc.hawaii.gov/wp-content/uploads/2024/01/2024-PUC-Report-EEPS-12.28.23-FINAL.pdf

H.B. 1051, H.D. 1 Page 2

The most recent Energy Efficiency Market Potential Study² indicates that Hawaii is on track to meet and exceed the established 2030 target of 4,300 GWh of energy savings. The Commission supports the proposed 2045 target of 6,000 GWh of energy savings, which was derived from current projections based on the 2020 Market Potential Study applied to the original EEPS methodology. The next Market Potential Study will occur in calendar years 2025-2026 and will provide further data and updated analyses to inform a revised target beyond 2030.

The Commission, in collaboration with the EEPS Technical Working Group³ and Hawaii Energy, will continue to utilize energy efficiency programs, services, and policies to achieve the near-term 2030 target, while ensuring the long-term continued impact of programming benefits through meeting new EEPS targets for 2045, which would also align with our state's Renewable Portfolio Standard target date.

The Commission notes the significant importance of energy efficiency as a lowest-cost and non-emitting resource during this critical time, as highlighted in Hawaiian Electric's Integrated Grid Planning process, and the Hawaii State Energy Office's Decarbonization Report.⁴ Governor Green's recently published Executive Order⁵ to accelerate Hawaii's clean energy transition also affirms the critical need to prioritize continued support for our state's important and successful energy efficiency initiatives.

Thank you for the opportunity to testify on this measure.

² Applied Energy Group (2020). *State of Hawaii Market Potential Study*. <u>https://www.hawaiieeps.org/8-5-2020-market-potential-study-rel</u>

³ The EEPS Technical Working Group was established in 2010 and meet several times per year regarding EEPS initiatives. Participants include Hawaii State Energy Office, the Consumer Advocate's Office, Hawaiian Electric Companies, Kauai Island Utility Cooperative, Hawaii Energy, City and County of Honolulu, Maui County, Hawaii County, Kauai County, and many others. More information can be found at the www.HawaiiEEPS.org website.

⁴ See Hawaii State Energy Office Report: *Hawai'i Pathways to Decarbonization*https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238 HSEO Decarbonization FinalReport 2023.pdf

⁵ See Governor Green Executive Order No. 25-01, released January 28, 2025. <u>2501085 Executive-Order-No.-25-01.pdf</u>



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

MARK B. GLICK

chief energy officer (808) 451-6648 energy.hawaii.gov

Telephone:

Web:

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Testimony of MARK B. GLICK, Chief Energy Officer

before the SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

Tuesday, March 11, 2025 3:02 PM State Capitol, Conference Room 016 and Videoconference

In Support of **HB 1051**, **HD1**

RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

Chair Wakai, Vice Chair Chang and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 1051, HD1, that extends the State's energy-efficiency portfolio standards (EEPS) from 2030 to 2045 while updating the standards. It authorizes the public utilities commission (PUC) to adjust the 2045 and interim standards.

HSEO serves on the PUC's EEPS Technical Working Group of energy stakeholders which review and address the State's progress in meeting the State's energy efficiency goals. The EEPS goal of 4300 GWh of electricity use reduction statewide by 2030 is focused on reducing electricity consumption. The PUC establishes the EEPS that maximizes cost-effective energy efficiency programs and technologies. Hawaii Energy (as the energy efficiency implementer for Hawaiian Electric), the GEMS loans programs, Kauai Island Utility Cooperative's energy efficiency programs, codes and standards, and other contributing entities are primary contributors to the EEPS. Innovative approaches and collective actions such as those noted in Governor Green's Executive-Order-No.-25-01, including building performance standards for large existing commercial buildings and zero energy codes for new single family homes will increase

energy efficiency in buildings and homes and decrease energy burdens for low- and moderate-income residents.

There is consensus amongst the EEPS Technical Working Group that energy efficiency provides a solid foundation for cost-effective decarbonization. HSEO prepared and submitted the Hawai'i Pathways to Decarbonization Report to the 2024 Hawai'i State Legislature. It summarizes the challenges and opportunities involved in meeting Hawai'i's decarbonization goals and presents pathways, including a specific recommendation to update and extend the EEPS. The EEPS sets a long-term goal as a target for accelerating the deployment of energy efficiency resources and programs throughout the state. Extending the EEPS date to 2045, consistent with the target year of the renewable portfolio standard (RPS) of 100% RPS by 2045 and net zero decarbonization policies that also target and align with 2045, is reasonable and advisable.

Thank you for the opportunity to testify.



JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKUʻĀINA 'O HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA 'OIHANA PILI KĀLEPA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856

Testimony of the Department of Commerce and Consumer Affairs

cca.hawaii.gov

Before the
Senate Committee on Energy and Intergovernmental Affairs
Tuesday, March 11, 2025
3:02 p.m.
Conference Room 016

On the following measure: H.B. 1051, H.D. 1, RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

Chair Wakai and Members of the Committee:

My name is Michael Angelo, and I am the Executive Director of the Department of Commerce and Consumer Affairs (Department) Division of Consumer Advocacy. The Department supports this administration bill.

The purpose of this bill is to: (1) extend the State's deadline to achieve its energy-efficiency portfolio standards from 2030 to 2045 and updates the standards; (2) require the Public Utilities Commission (Commission) to establish additional interim standards for electricity use reduction to be achieved by 2035 and 2040; and (3) authorize the Commission to adjust the 2030 and 2045 standards and interim standards.

The Department believes that energy efficiency can and should play an important role in Hawaii's efforts to transition to clean energy and recognizes that energy efficiency is viewed often as the most cost-effective means to contribute to the State's clean energy goals. The cost-effectiveness of energy efficiency measures to reduce emissions was confirmed in a December 2023 study conducted by the Hawaii State Energy Office

Testimony of DCCA H.B. 1051, H.D. 1 Page 2 of 2

pursuant to Act 238, Session Laws of Hawaii 2022.¹ Accordingly, the Department supports the intent to modify the energy efficiency portfolio standards and has engaged in discussions with other stakeholders in the technical advisory group convened to discuss the work done by the Public Benefits Administrator as well as the vendor responsible for fulfilling energy efficiency portfolio standards, Hawaii Energy, regarding possible changes to the portfolio standards. The Department is committed to continuing its work with stakeholders to help coordinate efforts regarding energy efficiency and towards policies and goals that are cost-effective as possible.

The Department views energy efficiency efforts as an important tool for cost-effectively reducing the State's need for generating resources and providing a means for individual customers to lower their energy bills. The Department believes that this bill solidifies Hawaii's commitment to energy efficiency by realigning the energy efficiency portfolio standards with the timeline for the State's renewable portfolio standards and allowing the Commission set interim standards to maximize cost-effective energy-efficiency programs and technologies to meet the State's clean energy goals.

Thank you for the opportunity to testify on this administration bill.

⁻

Hawaii Pathways to Decarbonization (December 2023) at page 4.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT GOVERNOR

JAMES KUNANE TOKIOKA CHAIR

GWEN S YAMAMOTO LAU EXECUTIVE DIRECTOR

Testimony of

Gwen Yamamoto Lau

Executive Director

Hawai'i Green Infrastructure Authority

before the

SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

Tuesday, March 11, 2025, 3:02 PM State Capitol, Conference Room 016 in consideration of

House Bill No. 1051, HD1 RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

Chair Wakai, Vice Chair Chang, and Members of the Committee:

Thank you for the opportunity to testify on HB 1051, HD1 relating to energy-efficiency portfolio standards. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill which extends the state's energy-efficiency portfolio standards from 2030 to 2045, updates the 2045 energy-efficiency portfolio standard and authorizes the Public Utilities Commission to establish interim goals.

Achievement of the state's bold goal of 100% clean energy in the electricity sector by 2045 requires strategic tactics, which includes a portfolio of tools and solutions. Similar to renewable technologies and projects (e.g., solar, wind, geothermal, etc.), the energy efficiency portfolio standard is also a critical tool towards goal achievement, which should be aligned with the 2045 clean energy deadline.

Energy efficiency measures can also reduce energy consumption in a cost-effective manner, resulting in electric utility bill savings for ratepayers.

Thank you for this opportunity to provide comments and testify in support of HB 1051, HD1.

OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY

KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

RICK BLANGIARDI MAYOR *MEIA*



BENJAMIN SULLIVAN EXECUTIVE DIRECTOR & CHIEF RESILIENCE OFFICER PO'O HO'OKŌ & KAHU OLA LOA

KEALOHA FOX DEPUTY DIRECTOR & CHIEF RESILIENCE OFFICER HOPE PO'O & HOPE KAHU OLA LOA

TUESDAY, MARCH 11, 2025, 3:02 P.M.

STATE OF HAWAI'I SENATE COMMITTEE ON ENERGY & INTERGOVERNMENTAL AFFAIRS

TESTIMONY ON HOUSE BILL 1051, HD1 RELATING TO ENERGY EFFICIENCY PORTFOLIO STANDARDS

BY,

BENJAMIN SULLIVAN
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Wakai, Vice Chair Chang, and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency ("Resilience Office") **strongly supports** HB1051, HD1, which extends the state's energy efficiency portfolio standards to 2045.

The City's climate action policy establishes a clear target to achieve 100 percent renewable energy and net-negative carbon emissions no later than 2045. Achieving this ambitious goal requires not only increasing the supply of clean energy but also reducing overall energy demand through efficiency measures. The City's Climate Action Plan identifies energy efficiency as a foundational strategy for cutting carbon emissions while lowering energy costs for residents, businesses, and government operations. To advance these goals, the City is actively implementing energy efficiency initiatives within our own operations, including Energy Savings Performance Contracts, which reduce municipal energy consumption and costs. Additionally, we administer the Better Buildings Benchmarking Program, which helps commercial building owners and managers track and improve energy efficiency, driving broader efficiency gains across the built environment.

Extending the state's energy efficiency portfolio standards to 2045 aligns with and strengthens these local efforts, ensuring a long-term, coordinated approach to reducing emissions and supporting an affordable, resilient clean energy future.

Thank you for the opportunity to testify in strong support of HB1051, HD1.

OFFICE OF ECONOMIC DEVELOPMENT

NALANI BRUN, DIRECTOR



Testimony of Christina Kaser

Energy Coordinator, Office of Economic Development, County of Kaua'i

Before the

Senate Committee on Energy and Intergovernmental Affairs

March 11, 2025; 3:02 p.m.
Conference Room 016 & Via Videoconference

In consideration of
House Bill 1051 HD1
Relating to Energy-Efficiency Portfolio Standards

Honorable Chair Wakai, Vice Chair Chang, and Members of the Committee:

The County of Kaua'i is in **support** of House Bill 1051 HD1, which extends the State's deadline to achieve its energy-efficiency portfolio standards target from 2030 to 2045 and updates the standards; Requires the Public Utilities Commission to establish interim goals for electricity use reduction to be achieved by 2025, 2035, and 2040; and Authorizes the Public Utilities Commission to adjust the 2030 and 2045 standard and interim standards.

The County of Kaua'i is supportive of energy efficiency measures to both reduce our electricity consumption and dependence on the grid, as well as provide opportunity for our residents and businesses to save money on electricity bills. The impact of the existing EEPS target has been evident with KIUC's creation of successful energy-saving rebate programs for our community, which the County itself has been fortunate to utilize for facilities upgrades. This past year, the County partnered with KIUC and the Kauai Economic Development Board to launch the Small Business Energy Efficiency Program, filling in a gap by providing a grant covering a percentage of labor costs associated with energy efficiency upgrades, while KIUC pays for a percentage of materials costs. The grant program was eligible to small businesses who often carry a greater burden facing spikes in electricity bills, as well as approaching retrofits.

Since 2009, Hawai'i has made substantive progress towards its clean energy goals to achieve 100% renewable energy by 2045, with KIUC having nearly reached 70% RPS in 2021. To meet our Statewide goal, it is important not to just transition our energy sources, but to also reduce our pull from the grid and overall usage.

Extending the target date of our EEPS to 2045 and updating the savings target to 6,000 GWh of energy savings would ensure continued impact of energy efficiency programming benefits, as well as aligning with our state's Renewable Energy Portfolio Standard target date.

Thank you for the opportunity to testify in **support** of HB1051 HD1.



Email: communications@ulupono.com

SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS Tuesday, March 11, 2025 — 3:02 p.m.

Ulupono Initiative supports HB 1051 HD 1, Relating to Energy-Efficiency Portfolio Standards.

Dear Chair Wakai 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 the 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 choices, and better management of freshwater resources.

Ulupono <u>supports</u> **HB 1051 HD 1**, which extends the State's deadline to achieve its energy-efficiency portfolio standards target from 2030 to 2045 and updates the standards. This bill also requires the Public Utilities Commission (PUC) to establish interim goals for electricity use reduction to be achieved by 2035 and 2040 and also authorizes the PUC to adjust the 2030 and 2045 standards and interim standards.

Ulupono is supportive of energy efficiency measures to lower electricity consumption across the state. Notably, the Hawai'i State Energy Office recently published its Hawai'i Pathways to Decarbonization Report, which identifies, among other things, the crucial role that energy efficiency will play as one of the most important actions in the reduction of energy demand, even *before* implementing other measures such as developing new renewable generation, reducing vehicle miles traveled, converting to electric transport, and deploying carbon capture technologies. As Hawai'i's electricity costs are expected to rise in the near-term², Ulupono sees the value of measuring and tracking energy usage as a first step to reduce energy consumption, lower overall electricity costs, and eliminate energy "waste." Hawai'i's energy issues remain increasingly complex and challenging. We appreciate the State's efforts to look at policies that reduce the overall demand, which in return will result in lower utility bills, thus mitigating the high cost of living and doing business in Hawai'i.

Thank you for the opportunity to testify.

Respectfully, Micah Munekata Director of Government Affairs

¹Hawai'i Pathways to Decarbonization Act 238, Session Laws of Hawai'i 2022, Report to the 2024 Hawai'i State Legislature December 2023. https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238 HSEO Decarbonization Report.pdf

² See Hawaiian Electric Newsroom, "Driven up by Russian invasion, oil prices will push electric bills higher in coming months," March 10, 2022. https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months

Submitted on: 3/9/2025 2:40:46 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Testifying for Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

Climate Protectors Hawaii STRONGLY SUPPORT HB1051 HD1!

Energy efficiency measures are still the "**low-hanging fruit**" of energy-saving measures. That is, the cost benefit of these additional measures is still relatively high, even after years of successful program savings.

Energy efficiency measures **save ratepayers money**, reduce the need to run electricity generators, and **avoid additional health and environmental impacts**, **including greenhouse gas emissions**.

Please pass this bill!

Climate Protectors Hawaii (by Ted Bohlen).

Submitted on: 3/9/2025 6:09:48 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair Wakai, Vice Chair Chang, and Members of the EIG Committee,

My name is Nanea Lo, and **I am writing in strong support of HB1051 HD1.** Improving energy efficiency is one of the most effective ways to reduce energy costs for households and businesses in Hawai'i.

With the high cost of living in our state, consumers need every opportunity to save money, and energy efficiency offers a practical solution. Moreover, improving energy efficiency is a key strategy for achieving Hawai'i's emission reduction goals in a cost-effective way.

HB1051 HD1 would extend Hawai'i's energy efficiency standards to 2045, ensuring that the economic and environmental benefits of these standards continue long into the future. Extending these standards is projected to reduce energy consumption by **6,000 GWh** in 2045 — a significant step toward lowering costs and reducing our carbon footprint.

I respectfully urge the committee to **pass HB1051 HD1** to support both cost savings for residents and Hawai'i's long-term climate goals.

me ke aloha 'āina, Nanea Lo Mō'ili'ili, HI 96826 Sierra Club of Hawai'i Executive Committee Member Board Member, Hawai'i Workers Center Kanaka Maoli/Lineal Descendant of the Hawaiian Kingdom



Date: March 9, 2025

To: Senator Glenn Wakai, Chair

Senator Stanley Chang, Vice Chair

Members of the Senate Committee on Energy and Intergovernmental Affairs (EIG)

From: Climate Future Forum

Re: **SUPPORT for HB1051**

Hearing: 11/03/2025, Tuesday, 3:02 PM

On behalf of the dozens of youth and adult mentors that comprise the Climate Future Forum, mahalo for the opportunity to testify in **support of HB1051**, which would extend Hawaii's energy efficiency standards out to 2045, thereby expanding both the financial benefits and emissions reductions from current standards.

As a 15-year-old resident, this bill is significant to me because of how maximizing energy efficiency can help address climate change by minimizing greenhouse gas emissions. When I lived in California, I experienced firsthand how the climate crisis is making natural disasters more severe and frequent. In 2021, my family had to evacuate our home due to an approaching wildfire- an experience that brought the reality of climate change into sharp focus. Climate change isn't just about abstract future threats- it is already reshaping my life and the lives of young people everywhere. We need bold action like HB 1051 to ensure my generation has the opportunity for a stable and sustainable future.

As Hawaii works toward its dual objectives of 100% renewable energy and decarbonization, promoting energy efficiency will be vital for decreasing electricity sector emissions. Additionally, with the high cost of living in Hawaii, reducing energy costs for households and businesses by improving energy efficiency would have a great impact, alleviating a heavy burden on consumers. The Hawaii State Energy Office's December 2023 Pathways to Decarbonization study confirmed that energy efficiency measures provide good economic value.

The Climate Future Forum empowers youth (ages 14–26) to actively engage in shaping and advocating for climate policy and legislation. By bringing together youth, educators, policymakers, and nonprofits, the forum fosters meaningful dialogue on climate action priorities and provides actionable steps to address climate change in Hawai'i. Through discussions involving over 100

youth, the forum has identified key high-priority areas, including regenerative food systems, climate and the economy, clean energy and transportation, climate justice and equity, and sustainable infrastructure.

Thank you very much for your support of youth engagement in climate policy. We respectfully urge the Committees to pass this bill.

Sincerely,
Sophia Park
Youth Leader of Hawai'i Climate Future Forum



Hawaii Solar Energy Association

Serving Hawaii Since 1977

Testimony of The Hawaii Solar Energy Association (HSEA) Regarding HB1051 HD1, Relating to Energy-Efficiency Portfolio Standards, Before the Senate Committee on Energy and Intergovernmental Affairs

Tuesday, March 11, 2025

Aloha Chair Wakai, Vice Chair Chang, and committee members:

The Hawaii Solar Energy Association (HSEA) **supports HB1051 HD1**, which extends Hawaii's Energy Efficiency Portfolio Standard (EEPS) program in alignment with Hawaii's overall renewable energy goals.

HSEA members include the majority of locally owned and operated solar and renewable energy companies doing business in the state of Hawaii along with leading global cleantech manufacturers and service providers that invest and sell in our market. We employ thousands of residents in diverse green economy jobs and advocate for policies that help Hawaii achieve critical climate and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy.

In addition to solar PV and energy storage, HSEA members manufacture, distribute, and install highly efficient and affordable solar thermal hot water systems and other measures that contribute to Hawaii's energy efficiency programs and goals. Hawaii's EEPS and other energy efficiency programs under the leadership of the Public Utilities Commission and Hawaii Energy have been highly effective in achieving their stated purpose and goals and should be extended to align with Hawaii's overall goals.

Thank you for providing the opportunity to testify in **support of HB1051 HD1**.

Respectfully,

/s/ Rocky Mould

Rocky Mould
Executive Director



SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

MARCH 11, 2025

HB 1051, HD1, RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

POSITION: SUPPORT

Coalition Earth <u>supports</u> HB 1051, HD1, relating to Energy-Efficiency Portfolio Standards, which extends the state's deadline to achieve its energy-efficiency portfolio standards from 2030 to 2045 and updates the standards; requires the Public Utilities Commission to establish additional interim standards for electricity use reduction by 2035 and 2040; and authorizes the Public Utilities Commission to adjust the 2030 and 2045 standards and interim standards.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding. Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, <u>our state should take steps to accelerate our transition to a clean energy economy and continue our fight against climate change, including by extending the state's energy efficiency portfolio standards from 2030 to 2045.</u> As Hawai'i progresses toward achieving its 100 percent renewable energy and carbon-negative decarbonization goals, energy efficiency

remains the most cost-effective way to reduce emissions associated with electricity generation and consumption, while providing financial benefits to Hawai'i residents and businesses during the transition. In 2009, the legislature codified the goals of the Hawai'i Clean Energy Initiative, which included a goal to reduce electricity use by 4,300 gigawatt-hours by 2030. This goal—known as the Energy Efficiency Portfolio Standards (or EEPS)—has helped to maximize cost-effective energy efficiency programs and technologies in the state.

Since 2009, Hawai'i has made impressive gains toward its clean energy goal and established a new goal to achieve 100 percent renewable electricity by 2045. Although the renewable portfolio standard was updated in 2015, there has not been an extension of the EEPS goal beyond 2030 to align with the 2045 planning target for renewable energy. Extending the EEPS goal beyond 2030 is an important step to ensure energy efficiency is factored into future grid planning efforts. The cheapest and cleanest energy is the energy that we don't use.

In December of 2023, the Hawai'i State Energy Office released its Statewide Decarbonization Strategy pursuant to Act 238 (2022). The report highlights how Hawai'i can achieve its statewide goals for a 50 percent reduction in greenhouse gas emissions by 2030 and net-negative emissions by 2045, which would align the state with global targets that scientists say we need to meet in order to avoid the worst impacts of climate change. The 350-page report laid bare the harsh reality for Hawai'i's transition—more aggressive action must be taken in all economic sectors to meet the state's mandate to cut its carbon emissions to net-zero. Under the current "business-as-usual" scenario, which already assumes we meet our 100 percent clean energy goals, Hawai'i will fall short and only reach a 54 percent decline in economy-wide emissions by 2045. Notably, the report reaffirms how critical energy efficiency and energy conservation is to achieve our decarbonization goals.

As the executive summary states (on page 4): "The results of the quantitative analysis in this report indicate and reaffirm that <u>demand or load reductions</u> resulting from <u>aggressive energy efficiency measures are the most cost-effective measures to reduce emissions</u>; with the second scenario which focused on demand reduction showing net-savings, compared to the reference scenario. While this may not be the most glamourous path forward, the results are clear – energy efficiency saves people money and provides the foundation for substantial emissions reduction potential."

Sincerely,

Kris Coffield

Kris Coffield, Chairperson, Board of Directors

Coalition Earth is a nongovernmental organization that works to preserve the well-being of people and our planet. We champion policies that advance climate resilience, clean energy, public health, and economic fairness for working families. Contact us at info@coalitionearth.org.



STATE OF HAWAI'I HAWAI'I CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809 Co-Chairs: Chair, DLNR Director, OPSD

Commissioners:

Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai' i DP
Director, Hawai' i DP
The Adjutant General
Manager, CZM

Testimony of LEAH LARAMEE

Climate Change Coordinator on behalf of Climate Change Mitigation and Adaptation Commission Co-Chair Mary Alice Evans and Co-Chair Dawn N.S. Chang

Before the Senate Committee on ENERGY AND INTERGOVERNMENTAL AFFAIRS

Tuesday, March 11, 2025 3:02 PM State Capitol, Conference Room 016 & Videoconference

In consideration of HOUSE BILL 1051 HOUSE DRAFT 1 RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

House Bill 1051 House Draft 1 extends the State's deadline to achieve its energy-efficiency portfolio standards target from 2030 to 2045 and updates the standards, requires the Public Utilities Commission to establish interim goals for electricity use reduction to be achieved by 2025, 2035, and 2040 and authorizes the Public Utilities Commission to adjust the 2030 and 2045 standard and interim standards.

The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) <u>supports</u> this measure. The Commission is a multi-jurisdictional effort between 20 different State and county departments, and Legislative committees.

As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses.

In 2009, Hawai'i established a long-term goal known as the "Energy Efficiency Portfolio Standards" (or EEPS) to reduce statewide electricity use by 4,300 gigawatt-hours by 2030. Since then, Hawai'i has made impressive progress towards clean energy and established a new mandate to achieve 100% "Renewable Portfolio Standards" by 2045. Energy efficiency is a key strategy to achieving our Renewable Portfolio Standards by reducing energy demand. We have yet to extend

the EEPS goal beyond 2030. This bill will do so enabling us to continue our progress and align planning across the sector.

Thank you for the opportunity to testify on this measure.



SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS Hearing on 3/11/2025 @ 3:02 PM

SUPPORTING TESTIMONY FOR HB1051 HD1

March 10, 2025

Aloha Chair Wakai and Members of the EIG Committee:

Carbon Cashback Hawai'i strongly supports HB1051 HD1, which "Extends the State's energy-efficiency portfolio standards from 2030 to 2045 and updates the standards. Carbon Cashback Hawai'l advocates for policies that will move Hawai'l to a less fossil-fuel dependent economy while not disadvantaging lowand moderate-income households.

For the foregoing reasons, Carbon Cashback Hawaii urges the committee to pass HB1501 HD1.

- As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses. The HSEO's December 2023 Hawaii Pathways to Decarbonization study found energy efficiency measures to be cost-effective;
- Expanding energy equity: Lower-income families, renters, and small businesses face disproportionate energy burdens. Energy efficiency policies provide critical cost relief and accessibility to cleaner energy solutions;
- As the State moves to electrify transportation, energy efficiency efforts are an important tool for cost-effectively reducing the State's need for additional generating resources to meet this growing demand; and
- The recent Market Potential Study (2020) indicates that Hawaii is on track to meet and exceed the established 2030 target of 4,300 GWh of energy savings (Applied Energy Group (2020). State of Hawaii Market Potential Study. https://www.hawaiieeps.org/8-5-2020-market-potentialstudy-rel). Creating new targets through 2045 would ensure continued impact of energy efficiency programming benefits, as well as aligning with our state's Renewable Portfolio Standard target date.

Please pass HB1051 HD1 out of your committee.

Mahalo, Carbon Cashback Hawai'i

"Reducing emissions while helping Hawaii's families."

CarbonCashbackHawaii.org
CarbonCashbackHawaii@gmail.com



TESTIMONY BEFORE THE SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

HB 1051, HD1 Relating to Energy-Efficiency Portfolio Standards

Tuesday, March 11, 2025 3:02 PM State Capitol, Conference Room 016

Jennifer Baker Senior Program Manager, Customer Energy Resources Hawaiian Electric

Dear Chair Wakai, Vice Chair Chang, and Members of the Committee.

My name is Jennifer Baker and I am testifying on behalf of Hawaiian Electric in support of HB 1051, HD1, Relating to Energy-Efficiency Portfolio Standards.

HB 1051, HD1 extends the State's Energy-Efficiency Portfolio Standards ("EEPS") from 2030 to 2045, and authorizes the Public Utilities Commission ("PUC") to establish interim goals. Hawaiian Electric supports this measure because widespread adoption of energy conservation and energy efficiency measures will be required to meet the State's 2030 and 2045 decarbonization goals. Extending the target date of the EEPS to 2045 would ensure continued focus on energy efficiency as a critical resource to meet our clean energy goals, and align with the 2045 target for the State's decarbonization and Renewable Portfolio Standards goals.

Hawaiian Electric is part of the PUC's Technical Working Group of energy stakeholders that review and assess the State's progress towards meeting the EEPS.

Hawaiian Electric looks forward to continued collaboration with the PUC, the State's third-party Public Benefits Fee Administrator, Hawai'i Energy, and other energy stakeholders to ensure continued progress towards achievement of the EEPS.

Accordingly, Hawaiian Electric supports HB 1051, HD1. Thank you for this opportunity to testify.



To: The Senate Committee on Energy and Intergovernmental Affairs (EIG)

From: Sherry Pollack, Co-Founder, 350Hawaii.org

Date: Tuesday, March 11, 2025, 3:02pm

In support of HB1051 HD1

Aloha Chair Wakai, Vice Chair Chang, and members of the EIG committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports HB1051 HD1** which extends the State's energy efficiency portfolio standards from 2030 to 2045. This measure updates the standards, and would ensure that the Public Utilities Commission can continue its work developing and overseeing the State's energy-efficiency portfolio standards beyond 2030. This measure further requires the Public Utilities Commission establish additional interim standards for electricity use reduction to be achieved by 2035 and 2040, and authorizes the Public Utilities Commission to adjust the 2030 and 2045 standards and interim standards.

It is important to extend our energy efficiency goals and ensure that the Public Utilities Commission may continue its work developing and overseeing the State's energy-efficiency portfolio standards beyond 2030. If Hawaii is to achieve our clean energy goals, we must align state planning directed at reducing carbon emissions across the energy sector. This measure would help accomplish this.

Energy efficiency is essential in reducing fossil fuel consumption and greenhouse gas emissions. With the climate crisis we are facing, it is critical that dedicated efforts be made to lower consumption and conserve our precious resources. In addition, reducing energy use saves consumer dollars. Hawaii residents and businesses currently pay the highest electricity rates in the country. Energy efficiency is an important tool that will help reduce electricity use and save millions on customer utility bills.

Simply put, the cleanest, cheapest and safest energy is the energy we don't use.

Mahalo for the opportunity to testify in support of this measure.

Sherry Pollack Co-Founder, 350Hawaii.org



HOUSE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

March 11, 2025, 3:02 P.M.
Conference Room 016 and videoconference

TESTIMONY IN STRONG SUPPORT OF HB 1051 HB1

Aloha Chair Wakai, Vice Chair Chang, and members of the Committee:

Blue Planet Foundation **strongly supports HB 1051**, which extends Hawai'i's energy-efficiency portfolio standards (EEPS) from 2030 to 2045 and increases the target of the EEPS from 4,300 to 6,000 gigawatt-hours.

As Hawai'i progresses toward achieving its 100% renewable energy and carbon-negative decarbonization goals, energy efficiency remains the most cost-effective way to reduce emissions associated with electricity generation and consumption, while providing financial benefits to Hawai'i residents and businesses during the transition. In 2009, the legislature codified the goals of the Hawai'i Clean Energy Initiative, which included a goal to reduce electricity use by 4,300 gigawatt-hours by 2030. This goal, known as the Energy Efficiency Portfolio Standards (or EEPS), has helped to maximize cost-effective energy efficiency programs and technologies in the state.

Since 2009, Hawai'i has made impressive progress towards its clean energy goals and established a new mandate to achieve 100% renewable electricity by 2045 (Act 97 of 2015). Although the renewable portfolio standard was updated in 2015, there has not been an extension of the EEPS goal beyond 2030 to align with the 2045 planning target for renewable energy. Extending the EEPS goal beyond 2030 is an important step to ensure energy efficiency is factored into future grid planning efforts. The cheapest and cleanest energy is the energy that we don't use.

Further, Blue Planet continues to support the integration of demand response programs into Hawai'i's energy efficiency efforts. Although demand response programs do not currently count towards our EEPS, we believe that including demand response can help modernize the state's energy planning efforts because the time we use energy has become increasingly important as intermittent renewable energy resources, such as wind and solar, are added to our energy mix.

Thank you for the opportunity to provide testimony.



45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the Senate Committee on Energy and Intergovernmental Affairs Tuesday, March 11, 2025 at 3:02 p.m.

Testimony in Support of HB 1051 HD1: Relating to Energy-Efficiency Portfolio Standards

Chair Wakai, Vice Chair Chang, and Members of the Committee:

Thank you for the opportunity to testify in support and provide comments on House Bill 1051 HD1.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Hawai'i Energy applauds the legislature's efforts to support energy efficiency's continued impact on Hawai'i's residents and businesses as an integral component of the State's Clean Energy Initiative, which calls for Hawai'i to achieve 100% clean energy by 2045.

This bill extends the target date of the energy-efficiency portfolio standard (EEPS), as established in Act 155, SLH 2009, and set into law as HRS §269-96, to 2045, which aligns EEPS with the state's Renewable Energy Portfolio Standard target date. The bill further develops EEPS to increase its energy savings goal from 4,300 GWh by 2030 to 6,000 GWh by 2045.

Already, Hawai'i Energy, along with its partners, has been able to implement enough programs and initiatives throughout the state to generate confidence that the established EEPS goal of 4,300 GWh of energy savings by 2030 is on track. The revised goal of 6,000 GWh by 2045 set forth in HB1051 reflects that confidence, and Hawai'i Energy is well positioned to continue helping the state's utility ratepayers save electricity and money as we strive for this new target together. We also look forward to continuing to work with the PUC as it explores EEPS impacts on Hawai'i's ratepayers and electrical grid through stakeholder workshops.

Given Hawai'i still has the highest electricity rates in the country, energy efficiency remains a highly effective avenue to deliver significant cost savings to Hawai'i's families and businesses, especially during these challenging budgetary times. We appreciate the ongoing efforts by the State Legislature to ensure that energy efficiency rightly plays a crucial role in pursuing Hawai'i's 100% clean energy future.

Thank you for the opportunity to testify in strong support of House Bill 1051 HD1.

Sincerely, Caroline Carl Executive Director Hawai'i Energy

Submitted on: 3/9/2025 2:35:05 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronald "Ron" Reilly	Individual	Support	Written Testimony Only

Comments:

Strong Support for HB1051

Senator Glenn Wakai, Chair Senator Stanley Chang, Vice Chair and members of the Committee On Energy And Intergovernmental Affairs,

I support this bill because improving energy efficiency is one of the best ways to reduce energy costs for households and businesses. With the high cost of living in Hawai'i, consumers need to take advantage of every cost savings option they have. Improving energy efficiency is one of the most cost-effective ways for Hawai'i to meet its emission reduction goals.

HB1051 would extend Hawai'i's energy efficiency standards out to 2045, thus extending the cost savings and emission reductions of the existing standards. Extending these standards would lead to a reduction of 6,000 GWh in 2045.

Please pass HB1051 HD1 out of your committee.

Thank you,

Ron Reilly, Volcano, HI 96785

Submitted on: 3/9/2025 2:59:37 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
David Murray	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Wakai, Vice Chair Chang, and members of the EIG Committee:

I support this bill because improving energy efficiency is one of the best ways to reduce energy costs for the citizens of Hawaii. With the high cost of living, consumers need to take advantage of avery cost saving option they have. Additionally, improving energy effciency is one of the most cost-effective ways for Hawaii to meet its emission reduction goals.

HB1051 would extend Hawaii's energy efficiency standards out to 2045, thus extending the cost savings and emission reductions of the existing standards. This extension would lead to a reduction of 6,000 GWh in 2045.

I therefore ask that you please pass HB1051 out of your committee.

Mahalo! David Murray, Waimanalo

Submitted on: 3/9/2025 5:01:31 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Wakai, Vice Chair Chang, and members of the EIG Committee:

I support this bill because improving energy efficiency is one of the best ways to reduce energy costs for households and businesses. With the high cost of living in Hawai'i, consumers need to take advantage of every cost savings option they have. In addition, improving energy efficiency is one of the most cost-effective ways for Hawai'i to meet its emission reduction goals.

HB1051 would extend Hawai'i's energy efficiency standards out to 2045, thus extending the cost savings and emission reductions of the existing standards. Extending these standards would lead to a reduction of 6,000 GWh in 2045.

Please pass HB1051 HD1 out of your committee.

Mahalo!

Virginia Tincher

<u>HB-1051-HD-1</u> Submitted on: 3/9/2025 7:25:34 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Su	bmitted By	Organization	Testifier Position	Testify
B.A	. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill. Mahalo.

Submitted on: 3/9/2025 7:34:05 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Written Testimony Only

Comments:

SUPPORT FOR HB1051 HD1 (RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS)

Dear Chair Wakai, Vice-Chair Chang, and members of the Committee,

My name is Noel Morin. I support HB1051 HD1, which Extends the State's deadline to achieve its energy-efficiency portfolio standards from 2030 to 2045 and updates the standards. Requires the Public Utilities Commission to establish additional interim standards for electricity use reduction to be achieved by 2035 and 2040. Authorizes the Public Utilities Commission to adjust the 2030 and 2045 standards and interim standards.

Energy efficiency is the most effective way to reduce energy consumption, which reduces our energy expenditure and carbon footprint. This measure will extend our efficiency standards to 2045, further incentivizing decisions and actions designed to increase our energy efficiency. Importantly, our investment in energy efficiency will expedite our transition to a clean energy future.

Please pass HB1051 HD1.

Thank you for the opportunity to testify.

Sincerely,

Noel Morin

Climate, Sustainability, and Resilience Advocate

Hilo, Hawaii

Submitted on: 3/9/2025 8:38:15 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ben Narwold	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Wakai, Vice Chair Chang, and members of the EIG Committee:

I support this bill because improving energy efficiency is one of the best ways to reduce energy costs for households and businesses. With the high cost of living in Hawai'i, consumers need to take advantage of every cost savings option they have. In addition, improving energy efficiency is one of the most cost-effective ways for Hawai'i to meet its emission reduction goals.

HB1051 would extend Hawai'i's energy efficiency standards out to 2045, thus extending the cost savings and emission reductions of the existing standards. Extending these standards would lead to a reduction of 6,000 GWh in 2045.

Please pass HB1051 HD1 out of your committee.

Mahalo!

Ben Narwold, Kapaa, HI

Submitted on: 3/10/2025 6:36:31 AM

Testimony for EIG on 3/11/2025 3:02:00 PM

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

Comments:

I support this bill as another measure to ensure contined energy efficiency programming benefits in Hawaii.

Submitted on: 3/10/2025 8:57:04 AM

Testimony for EIG on 3/11/2025 3:02:00 PM

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

Comments:

I support this bill because it would improve energy efficiency and help Hawaii meet its energy and climate goals.

<u>HB-1051-HD-1</u> Submitted on: 3/10/2025 9:03:47 AM Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Support. Thank you.

Submitted on: 3/10/2025 12:45:52 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Best	Individual	Support	Written Testimony Only

Comments:

Improving energy efficiency is one of the best ways to reduce energy costs for households and businesses. With the high cost of living in Hawai'i, consumers need to take advantage of every cost savings option they have. In addition, improving energy efficiency is one of the most cost-effective ways for Hawai'i to meet its emission reduction goals.

HB1051 would extend Hawai'i's energy efficiency standards out to 2045, thus extending the cost savings and emission reductions of the existing standards. Extending these standards would lead to a reduction of 6,000 GWh in 2045.

Please pass HB1051 HD1 out of your committee.

Mahalo! Barbara Best

<u>HB-1051-HD-1</u> Submitted on: 3/10/2025 1:02:20 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

I support HB1051 for better planning into the future.



Submitted on: 3/10/2025 3:09:03 PM

Testimony for EIG on 3/11/2025 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Moore-Andresen, PHR	Testifying for Fair Wind Inc.	Support	Written Testimony Only

Comments:

Aloha Chair Wakai, Vice Chair Chang, and members of the Energy & Intergovernmental Affairs Committee,

Fair Wind Cruises, a 3rd generation, Hawaii-owned and operated company for over 50 years, supports HB1051 RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

We support the bills purpose which is to (1) extend the State's deadline to achieve its energy efficiency portfolio standards target from 2030 to 2045 and updates the standards; (2) require the Public Utilities Commission (Commission) to establish interim goals for electricity use reduction to be achieved by 2025, 2035, and 2040; and (3) authorize the Commission to adjust the 2030 and 2045 standard and interim standards.

Thank you for giving us the opportunity to testify in support of HB1051.

Sincerely,

Jackie Moore-Andresen, PHR on behalf of Fair Wind Cruises

78-6775 Makenawai St Box A

Kailua Kona, HI 96740









































SENATE COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

March 11, 2025, 3:02 p.m., Room 016

Testimony in strong support of HB 1051 HD1



Aloha Chair Wakai, Vice Chair Chang, and members of the Committee:

As partners of Climate Hawai'i, an initiative of the Hawai'i Executive Collaborative (HEC), we strongly support HB 1051 HD1, which helps to ensure that Hawai'i continues to grow its cleanest, largest, and lowest-cost energy resource: energy efficiency. This measure extends the state's Energy Efficiency Portfolio Standards (EEPS) from 2030 to 2045 while updating interim targets and authorizing the Public Utilities Commission (PUC) to adjust future standards. Energy efficiency

Climatehawaii.earth Page 1

remains the most cost-effective, scalable, and immediate tool for achieving Hawai'i's clean energy goals, reducing electricity costs for consumers, and enhancing statewide energy security.

Why Energy Efficiency is Essential to Hawai'i's Climate Goals

Hawai'i has long been a leader in renewable energy, but reducing electricity demand through energy efficiency is as critical as expanding clean generation. The cleanest and cheapest energy is the energy we don't need to use. Since its establishment in 2009, EEPS has played a pivotal role in lowering energy consumption and consumer costs, delivering over \$5 billion in savings and reducing energy demand by more than 3,000 GWh statewide.

Updating Hawai'i's EEPS ensures continued progress in:

- Reducing consumer electricity costs: Hawai'i has the highest electricity rates in the nation.
 Energy efficiency programs like those run by Hawai'i Energy and KIUC have already saved businesses and households hundreds of millions of dollars in avoided energy costs.
- Aligning with the state's 100% renewable energy and decarbonization targets: Extending EEPS to 2045 ensures energy efficiency continues to play a key role in our state's climate and energy planning.
- Expanding energy equity: Lower-income families, renters, and small businesses face disproportionate energy burdens. Energy efficiency policies provide critical cost relief and accessibility to cleaner energy solutions.
- Reducing grid stress and enhancing resilience: With extreme weather events on the rise, improved energy efficiency reduces strain on the grid, helping to avoid blackouts and stabilize energy costs.

Key Provisions and Benefits of HB 1051

- Extends EEPS targets from 2030 to 2045, aligning with the state's 100% Renewable Portfolio Standard (RPS) goal and net-zero decarbonization policies.
- Increases Hawai'i's cumulative energy savings goal from 4,300 GWh (2030) to 6,000 GWh (2045), ensuring continued progress.
- Authorizes the PUC to adjust EEPS targets in response to market conditions and technological advancements, ensuring efficiency remains a cost-effective resource.
- Establishes interim goals for 2025, 2035, and 2040 to track progress and enable proactive planning.

Energy Efficiency as a Cornerstone of Hawai'i's Climate Resilience

As we continue to see rising global temperatures and more frequent extreme weather events, energy efficiency is an essential tool for reducing fossil fuel dependency, cutting emissions, and increasing economic and energy resilience. The Hawai'i Pathways to Decarbonization Report by the Hawai'i State Energy Office in 2023 reaffirmed that aggressive energy efficiency measures deliver the highest return on investment in emissions reductions, saving both money and carbon.

At Climate Hawai'i, we believe that energy efficiency is one of the most underutilized climate solutions, and we urge the legislature to adopt and strengthen policies that will accelerate its adoption. House Bill 1051 represents a commonsense, cost-saving approach that will ensure Hawai'i remains a leader in sustainable energy while directly benefiting its residents and businesses.

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Mahalo for your leadership and the opportunity to testify.

About the Hawai'i Executive Collaborative

The Hawai'i Executive Collaborative (HEC) is a nonprofit organization that serves as a convener and provides backbone support to leaders from different sectors who want to help build a more resilient economy and state. HEC members believe in the power of acting collectively and focus their energies and resources on areas where immediate and systemic changes will benefit Hawai'i and the world. For more information on Climate Hawai'i's real-world, high-impact solutions, please visit climatehawaii.earth.

Climate Hawai'i partners supporting this testimony:

- AES Hawai'i
- aio
- Blue Planet Foundation
- Bowers + Kubota
- Catholic Charities Hawaii
- Chaminade University
- County of Kaua'i
- Elemental Impact
- Hawaii Energy
- Hawaii Solar Energy Association
- Hawaiian Electric
- Hua Nani Partners
- Manoa Valley Theatre
- PAR Hawaii
- Sun Noodle
- Young Brothers
- Zephyr Insurance
- The Nature Conservancy, Hawai'i and Palmyra

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