

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
House Committee on Energy & Environmental Protection
Tuesday, March 11, 2025
9:00 a.m.
Conference Room 325

## On the following measure: S.B. 1220, S.D. 2, RELATING TO RENEWABLE GAS TARIFF

Chair Lowen 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 offers comments his bill.

The purpose of this bill is to: (1) require gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission (Commission) by 8/31/2025; (2) require the Commission to establish a renewable gas tariff within 9 months of receiving a completed application for a proposed renewable gas tariff; and (3) provide that the Commission shall determine the completeness of the application no later than 30 days after the application is filed.

The Department appreciates that the intent of this bill is to serve certain gas customers' demand to procure renewable gas. An appropriately designed tariff that fully considers the costs to procure and deliver renewable gas through Hawaii Gas' transmission and distribution system to customers with demands for renewable gas may

Testimony of DCCA S.B. 1220, S.D. 2 Page 2 of 3

help increase the build-out of renewable gas supplies in Hawaii. The Department especially appreciates that the bill stipulates that any renewable gas tariff shall not increase rates for other gas customers. It is the Department's understanding that Hawaii Gas may be seeking to establish a renewable gas tariff to provide assurance to potential customers of the costs that they would incur from procuring renewable gas. The Department notes that there are potential options to Hawaii Gas to offer renewable gas such as through a pilot program. Such an approach may lower financial risk to Hawaii Gas and its customers while also enabling Hawaii Gas to offer renewable gas to some of its customers.

The Department also offers that the Legislature has heard bills that would have required Renewable Gas Portfolio Standards, and the Commission is currently investigating an Integrated Resource Plan for The Gas Company LLC dba Hawaii Gas in Docket No. 2022-0009, which may set some renewable gas targets. Renewable gas targets together with full consideration of the greenhouse gas emissions resulting from obtaining and using different renewable gas feedstocks and producing, delivering, and using renewable gas, can all help guide some decarbonization of Hawaii's regulated gas market. All of these factors need to be considered as part of establishing a rate for providing renewable gas.

In addition, if the S.D. 2 version of this bill moves forward, with the new provision that "the completeness of [the application] shall be determined by the public utilities commission no later than thirty days after the application is filed", then we recommend that the Department's role in that determination be clarified by adding a further amendment to mirror a similar mechanism currently in Hawaii Revised Statutes § 269-16(d), which reads as follows:

The consumer advocate may, within twenty-one days after receipt, object to the sufficiency of any application, and the commission shall hear and determine any objection within twenty-one days after it is filed. If the commission finds that the objections are without merit, the application shall be deemed to have been

Testimony of DCCA S.B. 1220, S.D. 2 Page 3 of 3

completed upon original filing. If the commission finds the application to be incomplete, it shall require the applicant to submit an amended application consistent with its findings, and the nine-month period shall not commence until the amended application is filed.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D. GOVERNOR SYLVIA LUKE STATE OF HAWAII
PUBLIC UTILITIES COMMISSION

LEODOLOFF R. ASUNCION, JR. CHAIR

NAOMI U. KUWAYE COMMISSIONER

COLIN A. YOST COMMISSIONER

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

Telephone: (808) 586-2020 Facsimile: (808) 586-2066

#### **Testimony of the Public Utilities Commission**

465 S. KING STREET, #103

HONOLULU, HAWAII 96813

To the
House Committee on
Energy and Environmental Protection

March 11, 2025 9:00 a.m.

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Measure: S.B. No. 1220, S.D. 2

**Title:** RELATING TO RENEWABLE GAS TARIFF.

#### Position:

The Public Utilities Commission ("Commission") offers the following comments for consideration.

#### **Comments:**

The Commission appreciates the intent of this bill to provide an alternative process for a gas utility to propose the creation of a renewable gas tariff than through existing ratemaking procedures.

The Commission is grateful for the amendments made by the Senate Ways & Means Committee that resolved the Commission's prior concerns regarding the number of tariffs the Commission may need to establish and the definition of "Net therm usage". Furthermore, the Commission believes that the nine-month deadline for a Commission decision in S.B. No. 1220, S.D. 2 represents a fair balance between an applicant's desire for a quick and timely Commission decision, and the need for the Commission to afford parties, intervenors, and participants with adequate due process, as well as the need for the Commission to have adequate time to conduct its own investigation and decision making.

While a general rate case is an established process through which the Commission could fairly allocate the costs of providing renewable gas to customers seeking renewable gas service, the Commission recognizes waiting for a future general rate case to create a renewable gas tariff may delay the creation of a renewable gas tariff due to the timing of a gas utility's previous general rate case and the costs associated with litigating a general rate case. Therefore, the Commission recognizes how the process created by S.B. No. 1220, S.D. 2 may enable a faster implementation of a renewable gas tariff than waiting for a future general rate case, which may be years away.

S.B. No. 1220, S. D. 2 Page 2

Whether a proposed renewable gas tariff is brought before the Commission via the process created in S.B. No. 1220, S.D. 2 or via a general rate case, the Commission remains committed to ensuring that any renewable gas tariff it may approve is just, reasonable, and in the public interest.

Thank you for the opportunity to testify on this measure.

#### MAKAKILO/KAPOLEI/HONOKAI HALE NEIGHBORHOOD BOARD NO. 34



c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BLVD SUITE 160 • HONOLULU, HAWAII, 96817 PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET: http://www.honoulu.gov

#### RESOLUTION

### SUPPORTING EFFORTS TO DIVERT WASTE FROM LANDFILLS, INCLUDING RECYCLING TO CREATE FUEL AND CONSTRUCTION MATERIALS

Whereas, the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 ("Board") is a citizens' advisory board whose purpose is to "increase and assure effective citizen participation in the decisions of government" per the City and County of Honolulu's Neighborhood Plan of 2008; and

Whereas, every community in Hawai'i deserves a "clean and healthful environment" as guaranteed by the Hawaii State Constitution (Article XI, Section 9; In re Maui Elec. Co., 2017 Haw.); and

Whereas, in 2021, the total waste generated on Oʻahu was 1,692,840 tons, with significant portions being recycled or diverted through various waste-to-energy initiatives, but still a substantial portion of waste ended up in landfills, including Construction and Demolition landfilling, general material recycling, and the H-Power Ash and Residuals; and

Whereas, nearly all landfilling, waste-to-energy processing, and recycling of Oʻahu's waste occurs in West Oʻahu at the City-owned Waimanalo Gulch Sanitary Landfill (WGSL) in Kahe Valley, adjacent to the Honokai Hale and Makakilo communities, and the City-owned H-POWER facility near Kapolei, where waste, including Construction and Demolition materials, passes through Makakilo, Kapolei, and Honokai Hale before being landfilled at WGSL or transported to PVT Land Company, Ltd. in Nānākuli; and

Whereas, the State of Hawaii has made significant strides in addressing climate change, including the declaration of a climate emergency in 2021, and the adoption of the Hawaii Clean Energy Initiative aiming for 100% renewable energy by 2045, and the adoption of Act 238, Session Laws of Hawaii 2022, to explore decarbonization pathways, including sustainable fuel production; and

Whereas, Hawaii's heavy reliance on imported fossil fuels continues to pose challenges to energy security, economic growth, and efforts to reduce greenhouse gas emissions, leading to the exploration of alternatives such as sustainable aviation fuel, renewable gas, and waste diversion through recycling as fuel; and

Whereas, the state's current waste disposal practices, particularly landfilling, have been associated with harmful public health risks, including respiratory, neurological, and gastrointestinal issues for nearby communities, as well as environmental hazards from landfill gases like hydrogen sulfide (H2S), which are linked to serious health problems; and

Whereas, studies have shown that communities within a 3.1-mile radius of landfills, including the PVT landfill and Waimanalo Gulch Sanitary Landfill in West Oahu, are potentially exposed to harmful pollutants, which have been linked to lung cancer, respiratory illnesses, and other health issues; and

Whereas, the residents within the Nanakuli Census tracks (15003009608 & 15003940002), in which PVT landfill resides, suffer 10 years less in their life expectancy than the state average (U.S. Small-Area Life Expectancy Estimates Project, Center for Disease Control, US Department of Health, 2020); and

Whereas, to mitigate these risks and improve the quality of life for residents, it is essential to adopt measures that promote waste diversion from landfills, including the recycling of waste materials into renewable fuels, which aligns with the state's decarbonization goals and reduces dependence on imported petroleum; and

Whereas, the City and County of Honolulu executed a contract with Covanta to evaluate and pursue recycling a portion of the ash, which may significantly reduce the amount of ash disposed at the Waimanalo Gulch Sanitary Landfill; and

Whereas, the Aloha Sustainable Materials Recycling & Fertilizer Facility (SMRFF), currently under development in Kapolei, Hawaii, will serve as a waste recycling facility for local solid-organic wastes, including construction and demolition (C&D) debris, which will be sorted into recyclable and unrecyclable materials, with organic C&D waste components such as lumber, cardboard, fabric, and plastic film converted to energy using a fluidized-bed gasification system to self-power the facility, while inorganic C&D waste, including concrete and window glass, will be recycled into building materials, and landscaping waste, greenwaste from invasive species eradication, and wildfire prevention projects will also be converted to energy, with the resulting ash, along with other local nutrient-containing wastes, formulated into organic and potash fertilizers for use in Hawaii, all of which is expected to reduce waste sent to landfills on O'ahu by half, with ongoing efforts to innovate further; and

Whereas, the adoption of renewable energy practices, such as recycling waste as fuel and producing sustainable aviation fuel locally, would not only improve environmental health but also stimulate local job creation and investment in clean energy infrastructure, contributing to Hawaii's energy independence and long-term sustainability; now, therefore be it

Resolved, that the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 supports efforts to divert waste from landfills, including recycling to create fuel and construction materials; and be it

Resolved, that the board supports the efforts of the City and County of Honolulu to recycle H-Power Ash for use in construction materials safely, and further supports the safe diversion of waste materials to the Aloha Sustainable Materials Recycling & Fertilizer Facility for recycling, including the creation of fuel; and be it

Resolved, the board supports efforts to divert waste from landfills, including recycling initiatives, provided that these efforts are implemented in a manner that minimizes and mitigates any negative effects on public health and safety; and be it

Resolved, the board supports the intent of bills <u>SB1220 (2025)</u> Relating to Renewable Gas Tariff and <u>HB976 (2025)</u> Relating to Renewable Fuel, and <u>SB764/HB750 (2025)</u> Relating to the Environment; and

*Ordered*, that copies of this resolution be transmitted to the Mayor of the City and County of Honolulu, Honolulu Council Members, Area Legislators, and all Neighborhood Boards.

Adopted by the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 at its February 26, 2025 Regular Board Meeting, 8-0-0 (**Aye**: Dudley, Ferreira, Khan, Lidstone, Moon, Singleton, Taala, Paris; **Nay**: None; **Abstain**: None)



## TESTIMONY TO THE COMMITTEE ENERGY & ENVIRONMENTAL PROTECTION 9:00 AM, March 11, 2025 Conference Room 325 & Via Videoconference

#### SB1220 SD2

Chair Lowen, Vice Chair Perruso, and Members of the Committee,

Hawaii Gas appreciates the opportunity to submit testimony in <u>strong support</u> of SB1220 SD2, which requires gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission by August 31, 2025. Requires the Public Utilities Commission to establish a renewable gas tariff within nine months of receiving a completed application for a renewable gas tariff.

Environmentally conscious customers are seeking the option to purchase renewable gas through a renewable gas tariff. However, current regulations require a general rate case to create a renewable gas tariff, a process costing \$2–3 million and taking an average of two years—even when there is unanimous support and agreement. Because these costs ultimately fall to customers, gas utilities try to maintain stable rates by filing rate cases only every 4–6 years. As the gas utility is already in a rate case, the next filing would not occur until approximately 2030 or later, delaying access to renewable gas options.

Hawaii Gas has been working with various stakeholders and supports the current version of SB1220 SD2 as sensible amendments which provides clarity to the measure and helps alleviate the Public Utilities Commission concerns.

This legislation provides a faster, more cost-effective way to request a renewable gas tariff using existing Hawaii statutes and administrative rules. It does not bypass any existing requirements or standards to establish rates, however, accelerates the process for timely approval:

#### 1. Prompt Utility Filing

Gas utilities files a complete proposed renewable gas tariff with the Public Utilities Commission by August 31, 2025, only for customers who choose to **opt-in**.

#### 2. Prompt PUC Review

The **PUC opens a docket**, requires information necessary to review the proposed tariff within **nine months** .

#### 3. **Protect Other Ratepayers**

The streamlined process can only be used if the new tariff is a) **voluntary** and b) **does not raise rates** for other customers.

#### 4. Maintain Existing Standards

The proposal must still meet the established "just, reasonable, and in the public



interest" standard under Hawaii Administrative Rules Section 16-601-111. The PUC retains authority to approve or deny the proposed tariff.

#### 5. Advance Renewable Energy Goals

Faster approval of renewable gas tariffs **supports Hawaii's broader environmental and climate objectives.** 

Hawaii Gas stands ready to submit a voluntary renewable gas tariff by August 31, 2025, ensuring no rate impact on other customers and allowing the PUC to complete its review within nine months. We look forward to continued collaboration with the PUC and other stakeholders to achieve our shared sustainability goals.

We urge the Committee to pass this important legislation.

Thank you for the opportunity to testify.



#### March 11, 2025

Energy & Environmental Protection Committee Hawaii House of Representatives Honolulu, HI 96813

RNG Coalition testimony supporting S.B. 1220 SD2: Relating to Renewable Gas Tariff

Hon. Chair Lowen and Members of the Committee,

The Coalition for Renewable Natural Gas (RNG Coalition) represents and provides public policy advocacy and education for the renewable gas industry across North America. Our organization comprises over 400 members—including cities, counties, airports, ports, municipalities, colleges, universities, and leading companies operating in each sector of the industry—who capture, clean and condition greater than 95% of all RNG in the United States and Canada.

This legislation represents a balanced approach to accelerating renewable energy deployment while upholding rigorous regulatory standards and consumer protections. By establishing a clear timeline for gas utilities to file renewable gas tariffs by August 31, 2025, and requiring PUC action within nine months, the measure removes unnecessary delays in Hawaii's transition to a sustainable, carbon-free future.

The voluntary nature of the renewable gas tariff program will allow consumers to support local renewable gas development while ensuring no cost impacts to other customers. This aligns with Hawaii's goals to reduce dependence on imported petroleum and strengthen its energy security.

This legislation comes at a critical juncture when federal support for renewable energy initiatives faces uncertainty. Hawaii has the opportunity to establish itself as a clean energy leader and showcase to other states a model of effective climate leadership through practical, market-based solutions that engage consumers directly in the energy transition.

Current regulations are inefficient and could delay consumer access to renewable options until 2030 or beyond. S.B. 1220 SD2 creates a sensible pathway that maintains proper regulatory oversight while delivering timely energy choices to Hawaii residents.

We respectfully urge the Committee to pass this vital legislation.

Sincerely,

Yanni Psareas *Legislative Affairs Manager*Coalition for Renewable Natural Gas



P.O. Box 37158, Honolulu, Hawai`i 96837-0158 Phone: 927-0709 henry.lifeoftheland@gmail.com

COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Rep. Nicole E. Lowen, Chair Rep. Amy A. Perruso, Vice Chair

DATE: Tuesday, March 11, 2025

TIME: 9:00 AM

Conference Room 325

SB 1220, SD2 RENEWABLE GAS TARIFF

**OPPOSE** 

Aloha Chair Lowen, Vice Chair Perruso, and Members of the Committee

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 55 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

Hawaii Gas has an open rate case at the Public Utilities Commission. That proceeding will establish a fair rate of return for the utility.

Hawaii Gas seeks to bypass that process by requesting the Legislature to authorize additional profit, WITHOUT any commitment to increase the sale of renewable gas.

Mahalo Henry Curtis Executive Director

#### HOUSE OF REPRESENTATIVES

**REGULAR SESSION OF 2025** 

## House Committee on Energy & Environmental Protection

#### **TESTIMONY FOR BILL NO. SB1220 SD2**

Position: **Support** 

To the Honorable Chair Lowen, Vice Chair Perruso, and Members of the Committee,:

The Hawaii Bioeconomy Trade Organization SUPPORTS this measure.

Trade Organization

Which requires gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission by August 31, 2025. Requires the Public Utilities Commission to establish a renewable gas tariff within nine months of receiving a completed application for a renewable gas tariff.

Environmentally conscious customers are seeking the option to purchase renewable gas through a renewable gas tariff. However, current regulations require a general rate case to create a renewable gas tariff, a process costing \$2–3 million and taking an average of two years—even when there is unanimous support and agreement. Because these costs ultimately fall to customers, gas utilities try to maintain stable rates by filing rate cases only every 4–6 years. As the gas utility is already in a rate case, the next filing would not occur until approximately 2030 or later, delaying access to renewable gas options.

This legislation provides a faster, more cost-effective way to request a renewable gas tariff using existing Hawaii statutes and administrative rules. It does not bypass any existing requirements or standards to establish rates, however, accelerates the process for timely approval. This legislation represents a thoughtful and balanced approach to accelerating renewable energy deployment while upholding rigorous regulatory standards and consumer protections. By removing unnecessary delays, the measure supports Hawaii's leadership in transitioning to a sustainable, carbon-free future.

We respectfully urge the Committee to pass this vital legislation and thank you for the opportunity to provide testimony. We are available to address any questions.

Thank you for your consideration of this testimony.

Regards,

Carl Campagna Executive Director carl@hawaiibioeconomy.org



Email: communications@ulupono.com

### HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION Tuesday, March 11, 2025 — 9:00 a.m.

#### Ulupono Initiative supports SB 1220 SD 2, Relating to Renewable Gas Tariff.

Dear Chair Lowen 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 supports SB 1220 SD 2**, which requires gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission (PUC) by August 31, 2025, and requires the PUC to establish a renewable gas tariff within nine months of receiving a proposed renewable gas tariff.

A renewable gas tariff will enable customers to choose a cleaner energy option, supporting consumer demand for sustainable alternatives while providing a regulatory framework that ensures just and reasonable rates. By setting a clear timeline for PUC review and approval, SB 1220 helps prevent unnecessary delays in implementing a critical component of Hawai'i's decarbonization strategy.

Importantly, the bill ensures that renewable gas tariffs do not lead to increased costs for non-participating ratepayers, maintaining equity in the energy transition.

Hawai'i has long been a leader in renewable energy, and the establishment of a renewable gas tariff aligns with the State's broader efforts to achieve carbon neutrality and energy resilience. This measure not only supports local renewable gas development but also enhances energy security by diversifying our fuel sources.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

House Committee on Energy & Environmental Protection Representative Nicole E. Lowen, Chair Representative Amy A. Perruso, Vice Chair



Working together for Kapolei

Tuesday, March 11, 2025 9:00 a.m. Conference Room #325 and via videoconference

RE: SB1220 SD2 - Relating to Renewable Gas Tariff

Dear Chair Lowen, Vice Chair Perruso, members of the Committees,

My name is Kiran Polk, and I am the Executive Director & CEO of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region including Waipahu, Kapolei, 'Ewa Beach, Nānakūli, Wai'anae and Mākaha. The Chamber works on behalf of its members and the business community to improve the regional and State economic climate and help West O'ahu businesses thrive. We are a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber of Commerce **supports SB1220** that requires gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission by August 31, 2025, and the Public Utilities Commission to establish a renewable gas tariff within six months of receiving a proposed renewable gas tariff.

This measure takes a strategic and balanced approach to advancing renewable energy while maintaining strong regulatory oversight and consumer protection. By streamlining processes and eliminating unnecessary delays, this measure reinforces Hawaii's commitment to a sustainable, carbon-free future.

Thank you for this opportunity to provide testimony.

Respectfully,

Kiran Polk Executive Director & CEO



March 11, 2025

Representative Nicole E. Lowen, Chair Representative Amy A. Perruso, Vice Chair House Committee on Energy & Environmental Protection

Comments in Support of SB 1220, SD2 RELATING TO RENEWABLE GAS TARIFFS (Requires gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission by 8/31/2025. Requires the Public Utilities Commission to establish a renewable gas tariff within 9 months of receiving a completed application for a proposed renewable gas tariff. Provides that the Public Utilities Commission shall determine the completeness of the application no later than 30 days after the application is filed. Effective 7/1/2050. [SD2])

EEP Hearing: Tuesday, March 11, 2025, 9:00 a.m. State Capitol, Conference Room 325 & VIA VIDEOCONFERENCE

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth, housing, and renewable energy, while safeguarding Hawaii's significant natural, cultural, and agricultural resources, and public health and safety.

LURF appreciates the opportunity to express its **strong support for SB 1220, SD2**.

**SB** 1220, **SD2**. This bill proposes to require gas utility companies to submit proposed renewable gas tariffs to the Public Utilities Commission ("Commission") by August 31, 2025; requires the Commission to establish a renewable gas tariff within nine months of receiving a completed application for a proposed renewable gas tariff; and provides that the Commission shall determine the completeness of the application no later than 30 days after the application is filed.

The stated purpose of this measure is to require gas utility companies to promptly file renewable gas tariffs with the public utilities commission for review and approval; provided that the public utilities commission completes its review within nine months of the filing of a proposed renewable gas tariff; the proposed tariff does not increase rates for other customers; and the public utilities commission finds the tariff to be just, reasonable, and in the public interest.

House Committee on Energy & Environmental Protection March 11, 2025 Page 2

**LURF's Position.** LURF and its members support all forms of renewable energy and over the past century, our members have led the state, and in some cases, the nation, in renewable energy research, development, installation, generation, and transmission of renewable energy, including hydrogen and Renewable Natural Gas (RNG) integration.

Gas has long been Hawaii's lifeline during storms, hurricanes, inclement weather, wildfires, and power outages. The definition of "Renewable Energy" in §269-91, Hawaii Revised Statutes, includes biogas, biomass, biofuels and hydrogen, and over the past decade, Hawaii has recognized that renewable gas is part of the renewable energy "toolbox" that will help Hawaii achieve its decarbonization goals and provide customer choices to participate in renewable energy.

LURF understands that the Commission's existing regulatory process requires gas utility companies to file an application for a renewable gas tariff with the Commission, which then makes a decision on the application through the process of a general rate case, which could take as long as two years to complete and could cost customers between two and three million dollars.

SB 1220, SD2 represents a thoughtful and balanced approach to accelerating renewable energy deployment while upholding a regulatory framework of rigorous regulatory standards and consumer protections. By retaining the Commission's robust review and making the process more efficient, this measure could support Hawaii's leadership in transitioning to a sustainable, carbon-free future.

For the above reasons, LURF **<u>supports</u> SB 1220**, **SD2**, and respectfully urges your favorable consideration.

Thank you for the opportunity to provide comments in support of this measure.