# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE GOVERNOR

(808) 587-3807

SCOTT J. GLENN CHIEF ENERGY OFFICER

 $_{235}$  South Beretania Street,  $_{5}^{\mathrm{TH}}$  Floor, Honolulu, HI  $_{96813}$  | energy.hawaii.gov

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

## before the

#### HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Tuesday, February 25, 2020 2:00 PM State Capitol, Conference Room 329

# In SUPPORT of HB 1604, HD1 RELATING TO CONSUMER PROTECTION.

Chair Takumi, Vice Chair Ichiyama, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports HB 1604, HD1, which would require retailers of household appliances to conspicuously display signage on energy-using household appliances to inform consumers of available efficiency rebates and Hawaii-specific energy costs of operation.

The HSEO, in collaboration with the Public Benefits Fee Administrator (PBFA), would notify all affected retailers of the requirements of this section. HSEO is currently in discussions with the PBFA regarding their current and anticipated plans for energy labeling home appliances in Hawaii that are energy efficient and currently receive rebates from the PBFA.

Supplying information about available rebates and energy costs would enable consumers to make wise choices by choosing products yielding long-term savings as opposed to choosing solely on lowest first cost. According to the Appliance Standards Awareness Project the purchase high-efficiency air conditioning, refrigeration, cooking, clothes washing and drying, and dishwashing is a major boon to consumers. Indeed, the American Council for an Energy- Efficient Economy, reports that efficiency measures saved Americans \$800 billion or \$2,500 per person in 2014 alone. Since Hawaii's electricity rates are 2.5 times higher, this translates to some \$6,250 for each Hawaii resident while contributing to Hawaii's clean energy and decarbonization goals.

Thank you for the opportunity to testify.

<sup>&</sup>lt;sup>1</sup> https://www.aceee.org/sites/default/files/publications/researchreports/e1502.pdf

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

# TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 25, 2020 2:00 p.m.

Chair Takumi and Members of the Committee:

MEASURE: H.B. No. 1604 HD1

**TITLE:** RELATING TO CONSUMER PROTECTION.

**DESCRIPTION:** Requires retailers of household appliances to conspicuously display available energy efficiency rebates funded by the public benefits fee and state-specific energy operation costs. Takes effect on 7/1/2112.

#### **POSITION:**

The Public Utilities Commission supports this measure and offers the following comments for consideration.

#### **COMMENTS:**

The Commission supports efforts to promote the use of energy efficient appliances in the state. Requiring retailers to conspicuously display signage or text on household appliances would further the state's ability to educate consumers about the benefits of energy efficiency, including reduced energy costs and available rebates.

The Commission is working with the Public Benefits Fee Administrator ("Hawai'i Energy") to ensure that Hawai'i Energy is prepared to provide outreach, education, and assistance to retailers to help them comply with the requirements described in this measure.

Thank you for the opportunity to testify on this measure.



#### HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

February 25, 2020, 2:00 P.M. Room 329 (Testimony is 2 pages long)

#### **TESTIMONY IN SUPPORT OF HB 1604 HD1**

Aloha Chair Takumi, Vice Chair Ichiyama, and members of the Committee:

Blue Planet Foundation **supports HB 1604 HD1**, which requires retailers of household appliances to display available energy efficiency rebates and state-specific energy operation costs.

Hawai'i businesses and residents pay the highest electricity rates in the nation, which exacerbates our already high cost of living and increases monthly financial burdens. House Bill 1604 will help consumers make informed decisions based on more accurate cost information than is currently available at the point of sale. By displaying information about rebates available as well as Hawai'i-specific operating costs, consumers are better equipped to choose the model that most makes sense for their economic situation and preferences.

Since 1980, the Federal Trade Commission (FTC) has administered the (bright yellow) EnergyGuide labeling program aimed at assisting consumers in understanding how much energy a given appliance uses and the ongoing energy costs associated with operating the appliance. The EnergyGuide labels, however, don't reflect the realities of our energy costs in Hawai'i. The bright yellow labels that are currently displayed report only very coarse information based on **national average energy prices** and national average usage of the appliance.

House Bill 1604 wisely requires that retailers provide Hawai'i-specific labels to present a more accurate picture of how much an appliance will cost a household in Hawai'i to operate. **Labeling based on national averages is misleading for Hawai'i consumers** given that electricity rates in Hawai'i are nearly triple the national average.

Blue Planet also supports the requirement that retailers display information about available rebates for household appliances. Without clear signage, a prospective purchaser may not be aware of an available rebate that could substantially lower the overall cost of the appliance. Without this information, consumers may unknowingly select an appliance model that will end up costing more upfront, or that will increase their monthly utility bill because that are selecting an energy-inefficient model.

Hawai'i's consumers deserve more accurate information about the costs and potential savings associated with the household appliances they wish to purchase. The display requirements in HB 1604 will allow consumers to see more accurate information about ongoing energy costs and incentives for selecting a more energy-efficient model.

Energy efficiency is often overlooked in our conservations about transitioning to a 100% clean energy economy. Efficiency, however, is still the cheapest and easiest form of clean energy. By making the most of our power and choosing energy-efficient options wherever we plug in, we'll need fewer fossil fuels on the path to 100% clean energy.

Blue Planet is happy to work with the Committee and other stakeholders on amendments that could simplify implementation.

Thank you for the opportunity to provide testimony in **support of HB 1604**.



## 183 Pinana St., Kailua, HI 96734 • 808-262-1285 • info@350Hawaii.org

To: The House Committee on Consumer Protection & Commerce

From: Brodie Lockard, Founder, 350Hawaii.org Date: Tuesday, February 25, 2020, 2:00 pm

## In strong support of HB 1604 HD1

#### Dear Chair Takumi, and members:

350Hawaii strongly supports HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

Brodie Lockard Founder, 350Hawaii.org

<u>HB-1604-HD-1</u> Submitted on: 2/23/2020 7:16:52 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Climate Protector	Climate Protectors Coalition	Support	No

Comments:

Submitted on: 2/24/2020 10:11:46 AM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc www.WeAreOne.cc - WAO	Support	No

#### Comments:

#### In strong support of HB 1604 HD1

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

www.WeAreOne.cc



1111 19th Street NW ➤ Suite 402 ➤ Washington, DC 20036 t 202.872.5955 f 202.872.9354 www.aham.org

February 24, 2020

Representative Takumi Chair Committee on Consumer Protection & Commerce Hawaii House of Representatives Honolulu, HI 96813 Representative Ichiyama Vice Chair Committee on Consumer Protection & Commerce Hawaii House of Representatives Honolulu, HI 96813

Re: HB 1604, relating to consumer protection -- OPPOSE

Dear Chairman Takumi and Vice Chair Ichiyama:

The Association for Home Appliance Manufacturers appreciates the opportunity to provide testimony on HB 1604, relating to displaying available energy efficiency rebates for all retailers of household appliances. The Association of Home Appliance Manufacturers (AHAM) is opposed to HB 1604. While the measure requires all retailers of home appliances to display available energy efficiency rebates and state-specific energy operation costs, this measure would impact the products that manufacturers sell to retailers.

AHAM represents manufacturers of major, portable and floor care home appliances, and suppliers to the industry. AHAM's membership includes over 150 companies throughout the world. In the U.S., AHAM members employ tens of thousands of people and produce more than 95% of the household appliances shipped for sale. The factory shipment value of these products is more than \$30 billion annually. The home appliance industry, through its products and innovation, is essential to improving a person's lifestyle and health, and saving people time. Through its technology, employees, and productivity, the industry contributes significantly to U.S. jobs and economic security. Home appliances also are a success story in terms of energy efficiency and environmental protection. New appliances often represent the most effective choice a consumer can make to reduce home energy use and costs.

The measure would be duplicating the information already required by the Federal Trade Commission. Federal rules already mandate the display of the EnergyGuide yellow label on certain new appliances, which display the estimated energy use, appliance's key features, ENERGY STAR logo, and cost data to help consumers' comparison shop for energy-efficient appliances. This duplicative labeling requirement would be unnecessarily costly, confusing for consumers and increasingly distracting from important information such as safety.

AHAM appreciates the opportunity to comment on the Hawaii House Bill 1604 and would be glad to further discuss these matters.

Submitted on: 2/23/2020 9:28:26 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

#### Comments:

To: The House Committee on Consumer Protection & Commerce

From: Tlaloc Tokuda

Date: Tuesday, February 25, 2020, 2:00 pm

#### In strong support of HB 1604 HD1

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it. Mahalo,

Tlaloc Tokuda

Kailua Kona HI 96740

Submitted on: 2/24/2020 6:55:04 AM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Nanea Lo	Individual	Support	No	l

#### Comments:

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

me ke aloha 'Ä∙ ina, Nanea Lo

Submitted on: 2/24/2020 9:44:47 AM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
J Riverstone	Individual	Support	No	

#### Comments:

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

Sincerely

Jerry Riverstone

Submitted on: 2/24/2020 10:45:42 AM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Victoria Anderson	Individual	Support	No

#### Comments:

Displaying available energy efficiency rebates and state-specific energy operation costs helps consumers make choices that help to fight the Climate Crisis. Please pass this bill.

Submitted on: 2/24/2020 1:02:06 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Support	No

#### Comments:

Dear Chair Takumi and CCP committee members,

I strongly support HB1604 requiring household appliances being sold in stores to have visible labels showing available rebates. This is another way that individual citizens can learn and do something about the climate crisis. A small incentive such as a rebate multiplied millions of times adds up--to energy saving for the consumer and less pollution for the planet.

Please help consumers make good choices by passing bill HB1604.

Thank you for listening.

Sincerely,

Jan Pappas

Aiea, Hawaii

<u>HB-1604-HD-1</u> Submitted on: 2/24/2020 2:24:36 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cheryl Reeser	Individual	Support	No

Comments:



#### TESTIMONY OF TINA YAMAKI PRESIDENT RETAIL MERCHANTS OF HAWAII February 25, 2020

Re: HB 1604 HD1 Relating to Consumer Protection

Good afternoon Chair Takumi and members of the House Committee on Consumer Protection & Commerce. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) as founded in 1901 and is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

The Retail Merchants of Hawaii opposes HB 1604 HD1 Relating to Consumer Protection. This measure requires retailers of household appliances to conspicuously display available energy efficiency rebates and state-specific energy operation costs with an effective date of 10/1/2020.

With the internet and online shopping, many consumers research the appliance before coming into a brick and mortar store and are well versed in the energy cost savings as well as the rebates that are offered.

While it would be easy for a state energy office inform retailers about this law in a letter, it would be quite different and tedious task for the retailers to have to continuously maintain and research the various rebates options that are available. While we support energy efficiency rebates, it would be difficult for local retailers, especially the small mom & pop stores to have numerous signage with at least ½ inch font as well as maintain a listing of all of the different energy rebates for a variety of household appliances available especially those that are online or outside the EPA listing. Retailers have a limited amount of space to display the appliances, let along pricing and information for each individual appliance. Retailers are already short staffed and to keep the listing of energy rebates current would be burdensome.

We feel that this measure would be duplicating the information already provided by the FTC. Federal rules already mandate the display of the Federal Trade Commission (FTC) yellow labeling on new appliances displaying the estimated energy use and cost data to help consumers make informed purchases. The FTC label also shows the appliance's key features (with similar models determining the cost comparison range) as well as an ENERGY STAR logo (if the appliance is ENERGY STAR certified).

We also question who would determine the Hawaii specific energy costs for operations considering that each islands kilo watt hour varies as well as what the energy cost would be if the resident has solar or PV.

We urge you to hold this measure. Mahalo again for this opportunity to testify.

<u>HB-1604-HD-1</u> Submitted on: 2/24/2020 5:53:36 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Pollack	Individual	Support	No

Comments:

Submitted on: 2/24/2020 9:38:00 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Zoe Malia Ozoa Loos	Individual	Support	No	

#### Comments:

To: The House Committee on Consumer Protection & Commerce

From: **ZOE** 

Date: Tuesday, February 25, 2020, 2:00 pm

#### In strong support of HB 1604 HD1

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy-efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

#### ZOE

P.S. I know this is the type of testimony that you all get a lot, one where it would be better to put our own personal touch on it. I would love to, but there are so many of us where this is all we can muster with hectic schedules and trying to do our best. I just want you to know that while I may have not crafted my own response that does not mean I do not 1000000000 percent agree with what is being said and that we NEED action. We need the government to do its job while we do ours.

Mahalo for your hard work!

Submitted on: 2/24/2020 9:35:11 PM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Caroline Kunitake	Individual	Support	No	

#### Comments:

Dear Chair Takumi, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 1604 HD1.

Displaying available energy efficiency rebates and state-specific energy operation costs can only help consumers make choices that help to fight the Climate Crisis.

Knowing about rebates and energy operation costs could save consumers significant money.

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying these numbers will put energy efficiency in their thoughts and perhaps make them consider other appliances they could replace with more energy efficient alternatives.

This bill could save consumers money, decrease energy use, and even encourage an energy efficiency mindset. Please support it.

Mahalo,

**Caroline Kunitake** 

Submitted on: 2/25/2020 1:24:44 AM

Testimony for CPC on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeremy Garrett	Individual	Support	No

#### Comments:

To address the climate crisis, enviornmental impacts ought to be considered in any consumer decision. Please adopt this measure so that individuals might be better informed to do so.

<u>HB-1604-HD-1</u> Submitted on: 2/25/2020 10:17:13 AM

Testimony for CPC on 2/25/2020 2:00:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Rayne	Individual	Support	No

Comments: