



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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

before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
Monday, March 9, 2020
2:45 PM
State Capitol, Conference Room 414

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

Chair Wakai, Vice Chair Taniguchi, 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.

HB 1604, HD1, assigns the HSEO, in collaboration with the public benefits fee administrator, shall notify all retailers subject to the requirements. This responsibility for HSEO is consistent with its mission “to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy” (Section 196-71(a), HRS). It is also consistent with the Chief Energy Officer’s duties to:

- (3) Provide technical assistance to state and county agencies to assess and implement projects and programs related to energy conservation and efficiency, renewable energy, clean transportation, energy resiliency, and related measures; and
- (7) Evaluate, recommend, and participate in the development of incentives and programs that encourage the development of energy efficiency, renewable energy, energy resiliency, distributed energy resources, and clean transportation resources (Section 196-72(d), HRS).

The HSEO, in collaboration with the Public Benefits Fee Administrator (PBFA), would notify all affected retailers of the requirements of this section. The HSEO is currently in discussion 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 of high-efficiency air conditioning, refrigeration, cooking, clothes washing and drying, and dishwashing appliances 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.¹ 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.

¹ <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
SENATE COMMITTEE ON
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

March 9, 2020
2:45 p.m.

Chair Wakai 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. Hawai'i Energy has been collaborating with the Hawai'i State Energy Office to plan for the rollout and implementation of this bill's provisions.

Thank you for the opportunity to testify on this measure.



SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

March 9, 2020, 2:45 P.M.

Room 414

(Testimony is 2 pages long)

TESTIMONY IN SUPPORT OF HB 1604 HD1, WITH SUGGESTED AMENDMENTS

Aloha Chair Wakai, Vice Chair Taniguchi, 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. At the end of this testimony, we offer some suggested amendments to simplify implementation of this consumer protection measure.

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.

info@blueplanetfoundation.org

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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 conversations 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.

SUGGESTED AMENDMENTS TO SIMPLIFY IMPLEMENTATION

Displaying this information in stores doesn't have to be a complicated or costly process. House Bill 1604 can be amended to simplify implementation in the following ways:

- **Clarify that the labeling requirements only apply to products that have the EnergyGuide labels** required by federal law (e.g., boilers, central air conditioners, clothes washers, dishwashers, freezers, furnaces, heat pumps, pool heaters, refrigerators, televisions, water heaters, and window air conditioners).¹
- Clarify that labels should **display a statewide average** rather than developing and displaying separate labels for each county. Even if the operating cost is higher for some counties, a statewide average would still be more useful to Hawai'i consumers than the national average numbers.
- To cut down on labeling costs for the program implementers, the display requirement could **only apply for appliances on the showroom floor** instead of every appliance.
- The **timeline for updating the labels in the future could be adjusted** to bring down costs. The federal government, for example, only updates its EnergyGuide labels every five years. Hawai'i lawmakers and stakeholders can work collaboratively to determine how often the Hawai'i labels should be updated to balance costs with providing Hawai'i consumers with accurate and instructive information about appliance operating costs.

Blue Planet is happy to work with the Committee and other stakeholders on these or other amendments that could simplify implementation. Thank you for the opportunity to provide testimony in **support of HB 1604 HD1.**

¹ FAQs, <https://www.consumer.ftc.gov/articles/0072-shopping-home-appliances-use-energyguide-label>

HB-1604-HD-1

Submitted on: 3/6/2020 10:17:42 AM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Regina Gregory	Testifying for EcoTipping Points Project	Support	No

Comments:



LATE

TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
March 9, 2020

Re: HB 1604 HD 1 Relating to Consumer Protection

Good afternoon Chairperson Wakai and members of the Senate Committee on Energy Economic Development & Tourism. 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 funded by the public benefits fee and state-specific energy operation costs; and takes effect on 7/1/2112.

Household appliances goes beyond dishwashers, air conditioners, refrigerators and washing machines. It also includes kettles, instapots, coffee makers, alarm clocks, telephones to name a few. This would include thousands of different products. **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 **1/2 inch**

font as well as maintain a listing of all the different energy rebates for a variety of household

appliances available. 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.

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 the various rebates options that are available. There is also a cost for some retailers to print the signage to be in line with corporate standards - it's not just done on a computer on regular copy paper.

We also 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). **It is our understanding that the Hawaii Energy already lists the rebates on their website** and the State Energy Office should maintain a campaign to encourage the public to seek the rebates on that website.

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.



LATE

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

To: The Senate Committee on Energy, Economic Development, and Tourism
From: Brodie Lockard, Founder, 350Hawaii.org
Date: Monday, March 9, 2020, 2:45 pm

In strong support of HB 1604 HD1

Dear Chair Wakai, and members:

350Hawaii.org's 6,000 members 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.

Brodie Lockard
Founder, 350Hawaii.org

LATE

HB-1604-HD-1

Submitted on: 3/8/2020 9:18:27 PM

Testimony for EET on 3/9/2020 2:45:00 PM

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

Comments:

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 7:50:58 AM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jenny Webster	Individual	Support	Yes

Comments:

Please support HB 1604 - to force the sellers of "of household appliances to conspicuously display available energy efficiency rebates funded by the public benefits fee and state-specific energy operation costs." Many of us in the U.S. had hoped that the market would be the great equalizer - that a market driven economy would be the most ethical, but today, all evidence points to the contrary. The market is often driven by a short-sighted hunger for profit over anything else. Today, we need your help to push the market to be more beneficial for everyone in the long term. This bill will help people make better decisions in the long run. Most people don't know the laws that are passed or how to do the calculations to figure out how much they'd save if they chose the greener alternative. Let's work together to help people make better decisions for all.

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 7:56:19 AM
Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
donald erway	Individual	Support	No

Comments:

Dear Chair Wakai, 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.

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 7:57:19 AM

Testimony for EET on 3/9/2020 2:45:00 PM

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

Comments:

Dear Chair Wakai, 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

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 9:48:39 AM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Noel Morin	Individual	Support	No

Comments:

Dear Chair Wakai, and members:

I support HB1604 HD1.

Awareness and knowledge is power. By displaying information that will help consumers understand energy efficiency (and available rebates) on appliances that are for sale will help them save money on the purchase and operation of the devices. This can only help consumers improve their financial lot and allow them to naturally contribute to our environmental goals.

Thanks for the opportunity to testify.

Noel Morin - Hilo

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 10:29:04 AM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Katherine Ray	Individual	Support	No

Comments:

Dear Chair Wakai, 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,

Katherine Ray

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 2:07:36 PM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
william metzger	Testifying for 350 HAWAII	Support	No

Comments:

POST REBATES....BETTER FOR STATE AND CONSUMER

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 11:11:16 AM

Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Suzanne Egan	Individual	Support	No

Comments:

To: the senate committee on energy economic development and tourism

From: suzanne egan

Date: monday,march 9, 2020, 2:45

in strong support of hb1604 hd1

we want to be informed, as consumers...i.e. choosing the most energy efficient products, saving money on our crippling energy bills. we want to send a message to manufacturers, and support the public mindset on energy conservation, working in group consciousness towards a cleaner future for our children. paradigm shift in our approach to energy needs to reach mass saturation. keep the momentum, prepare the community for bigger changes to come that may not be convenient. lay the groundwork. subtle and effective.

thank you ,

suzanne egan

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 2:52:44 PM

Testimony for EET on 3/9/2020 2:45:00 PM

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

Comments:

To: The Senate Committee on Energy, Economic Development, and Tourism

From: Tlaloc Tokuda

Date: Monday, March 9, 2020, 2:45 pm

In strong support of HB 1604 HD1

Dear Chair Wakai, and members:

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

Amory Lovins, Energy Efficiency Guru has always professed that consumers should be made aware of the annual energy used and saved by purchasing 5 star rated appliances. Yet we have never assisted consumers in this area. 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 for your consideration

Tlaloc Tokuda

Kailua Kona, HI 96740

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 7:27:30 PM
Testimony for EET on 3/9/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane Ware	Individual	Support	No

Comments:

Dear Chair Wakai, 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.

With appreciation of support to pass this bill,

Diane Ware, Volcano HI 96785

LATE

HB-1604-HD-1

Submitted on: 3/9/2020 9:23:27 PM

Testimony for EET on 3/9/2020 2:45:00 PM

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

Comments: