

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
**HOUSE COMMITTEES ON ECONOMIC DEVELOPMENT & BUSINESS
AND
ENERGY & ENVIRONMENTAL PROTECTION**

Wednesday, February 12, 2020

9:00 AM

State Capitol, Conference Room 309

In SUPPORT of
HB 1604
RELATING TO CONSUMER PROTECTION.

Chairs McKelvey and Lowen, Vice Chairs Kitagawa and Wildberger, and Members of the Committees, the Hawaii State Energy Office (HSEO) supports HB 1604, 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, will notify all retailers subject to this section of the requirements of this section.

Supplying information about available rebates and energy costs in Hawaii would enable consumers to make wise choices by choosing products yielding long-term savings as opposed to choosing primarily on lowest first cost. According to the Appliance Standards Awareness Project, purchasing high-efficiency air conditioning, refrigeration, cooking, clothes washing and drying, and dishwashing appliances benefits consumers. The American Council for an Energy Efficient Economy reports that efficiency measures saved Americans \$800 billion or \$2,500 per person in 2014.¹ Since Hawaii's electricity rates are approximately 2.5 times higher, this translates to \$6,250 in energy savings for Hawaii residents, 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
HOUSE COMMITTEES ON
ECONOMIC DEVELOPMENT & BUSINESS
AND
ENERGY & ENVIRONMENTAL PROTECTION

February 12, 2020
9:00 a.m.

Chair McKelvey, Chair Lowen, and Members of the Committees:

MEASURE: H.B. No. 1604

TITLE: RELATING TO CONSUMER PROTECTION.

DESCRIPTION: Requires retailers of household appliances to conspicuously display available energy efficiency rebates and state-specific energy operation costs. Effective 10/1/2020.

POSITION:

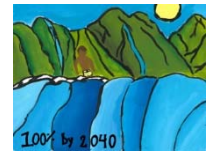
The Public Utilities Commission supports this measure and offers the following comments for consideration.

COMMENTS:

The Commission appreciates 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 rebates and reduced energy costs.

The Commission is willing to work with Hawaii Energy to ensure that the changes described in this bill are successfully implemented.

Thank you for the opportunity to testify on this measure.



**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

February 12, 2020, 9:00 A.M.

Room 309

(Testimony is 2 pages long)

TESTIMONY IN SUPPORT OF HB 1604

Aloha Chairs McKelvey and Lowen, Vice Chairs Kitagawa and Wildberger, and members of the Committees:

Blue Planet Foundation **supports HB 1604**, 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.

info@blueplanetfoundation.org

55 Merchant Street 17th Floor • Honolulu, Hawai'i 96813 • 808-954-6161 • blueplanetfoundation.org

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.

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 Committees on Economic Development & Business;
and Energy & Environmental Protection
From: Brodie Lockard, Founder, 350Hawaii.org
Date: Wednesday, February 12, 2020, 9:00 am

In strong support of HB 1604

Dear Chairs McKelvey and Lowen, and members:

350Hawaii strongly supports HB 1604.

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



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February 12, 2020

Representative McKelvey
Chair
Committee on Economic Development & Business
Hawaii House of Representatives
Honolulu, HI 96813

Representative Lowen
Chair
Committee on Energy & Environmental Protection
Hawaii House of Representatives
Honolulu, HI 96813

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

Dear Chairman McKelvey and Chairwoman Lowen:

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.

HB-1604

Submitted on: 2/9/2020 8:37:12 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

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

Comments:

HB-1604

Submitted on: 2/9/2020 10:47:14 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

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

Comments:

Please pass this bill!

HB-1604

Submitted on: 2/10/2020 5:00:36 AM

Testimony for EDB on 2/12/2020 9:00:00 AM

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

Comments:

Dear Chair McKelvey, Chair Lowen and Members of the Committee on Economic Development and Business and the Committee on Energy and Environmental Protection,

I am writing in support of HB1604 which requires retailers of household appliances to conspicuously display available energy efficiency rebates and state-specific energy operation costs. Effective 10/1/2020.

Consumers are becoming more energy wise and earth conscience. In order to conserve our energy resources (the majority of which comes from burning of fossil fuels), we need to educate and empower consumers about the energy efficiency rebates and operational costs on everyday household appliances.

Please pass this bill.

Mahalo,

Caroline Kunitake

HB-1604

Submitted on: 2/10/2020 8:19:43 AM

Testimony for EDB on 2/12/2020 9:00:00 AM

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

Comments:

Hello,

My name is Nanea Lo. I am a lifelong resident of Hawai'i on O'ahu. I am writing in to say I support this bill.

me ke aloha 'Ä• ina,

Nanea Lo

HB-1604

Submitted on: 2/10/2020 2:20:51 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Justin Salisbury	Individual	Support	No

Comments:

HB-1604

Submitted on: 2/10/2020 5:55:01 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members:

Please support HB1604, which will help in the fight against climate change.

Thank you for the opportunity to present my testimony.

Andrea Quinn

Kihei, Maui

HB-1604

Submitted on: 2/11/2020 7:17:11 AM

Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lois Crozer	Individual	Support	No

Comments:

I strongly support HB 1604.

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.

HB-1604

Submitted on: 2/11/2020 2:09:19 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

LATE

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

Comments:

Dear Chairs McKelvey and Lowen, and members,

I'm in strong support of HB1604.

This will empower consumers to make decisions that will help them save money and the environment. It will also invite manufacturers and distributors to deliver more energy efficient products. Awareness is power – knowledge of available rebates and energy efficiency data will empower consumers to make better purchase decisions.

Please support HB 1604.

Sincerely,

Noel Morin

LATE

HB-1604

Submitted on: 2/11/2020 4:36:44 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark A. Koppel	Individual	Support	No

Comments:

Posting Energy Efficiency will encourage consumers to save electricity.

LATE

HB-1604

Submitted on: 2/11/2020 5:06:44 PM
Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Phaethon Keeney	Individual	Support	No

Comments:

Please support HB1604, which requires retailers of household appliances to conspicuously display available energy efficiency rebates and state-specific energy operation costs. This is pretty basic, mahalo!

Phaethon Keeney

Honoka'a Hawai'i

LATE

HB-1604

Submitted on: 2/11/2020 6:26:27 PM
Testimony for EDB on 2/12/2020 9:00:00 AM

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

Comments:

To: The House Committees on Economic Development & Business;
and Energy & Environmental Protection

From: **ZOE LOOS**

Date: Wednesday, February 12, 2020, 9:00 am

In strong support of HB 1604

Dear Chairs McKelvey and Lowen, and members:

I strongly support HB 1604.

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 LOOS



LATE

TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 12, 2020
Re: HB 1604 Relating to Consumer Protection

Good morning Chairperson McKelvey, Chairperson Lowen and members of the House Committee on Economic Development & Business and the Committee on Energy & Environmental Protection. 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 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.

LATE

HB-1604

Submitted on: 2/11/2020 10:46:52 PM

Testimony for EDB on 2/12/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Severine Busquet	Individual	Support	No

Comments:

Dear Chairs McKelvey and Lowen, and members:

Most consumers probably don't make energy efficiency a high priority when choosing an appliance. Displaying available energy efficiency rebates and state-specific energy operation costs 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.

For these reasons, I strongly support HB 1604.

Severine Busquet

Hawaii Kai, Honolulu