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GOVERNOR

JOSH GREEN
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ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

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STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
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IN REPLY, REFER TO:
OCS 22.1076

March 22, 2022

To: The Honorable Nicole E. Lowen, Chair,
The Honorable Lisa Marten, Vice Chair, and
Members of the House Committee on Energy and Environmental Protection

Date: Thursday, March 24, 2022
Time: 10:00 a.m.
Place: Conference Room 325 & Videoconference

From: Jovanie Domingo Dela Cruz, Executive Director
DLIR – Office of Community Services

Position: Support

Re: HCR 48/HR 43 – Relating to High Energy Burdens and Environmental Justice

I. OVERVIEW OF PROPOSED RESOLUTIONS

HCR 48 and HR 43 would ask the Public Utilities Commission, either directly, or through the convening of a working group, to investigate means to assist income-limited households in paying for home energy consumption. These proposed resolutions note that the communities that serve as the geographic hosts of energy production in this State carry environmental burdens that are not shared by others, yet they are not offered either compensation or any meaningful role in the planning process that results in these burdens.

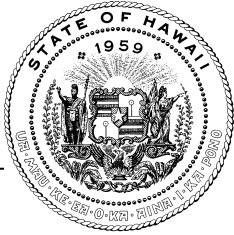
II. CURRENT LAW

OCS is not aware of any current Hawaii law that adequately provides relief for communities suffering from the cumulative effect of these factors.

III. COMMENTS ON THE PROPOSED RESOLUTIONS

The Office of Community Services was created by the Legislature by Act 305, SLH 1985, codified as Chapter 371K, Hawai'i Revised Statutes. The mission of OCS is to eliminate the causes and conditions of poverty for economically disadvantaged persons, immigrants, and refugees in the State of Hawaii, by facilitating and enhancing the development, delivery, and coordination of effective programs for these persons and communities to enable them to achieve and maintain greater economic self-sufficiency and integration into Hawaii's society.

OCS supports these resolutions, because the communities described in these resolutions are underserved and therefore are within the scope of OCS's core constituencies.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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 COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Thursday, March 24, 2022
10:00 AM

State Capitol, Conference Room 325 & Videoconference

COMMENTS
HCR 48 / HR 43

**REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO
MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME
CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF
ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.**

Chair Lowen, Vice Chair Marten, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HCR 48 /HR 43, which requests the Public Utilities Commission to investigate how to consider efforts to mitigate high energy burdens for low- and moderate- income customers and investigate how to integrate energy equity and environmental justice across its work.

Hawai'i has one of the lowest homeownership rates in the country. Hawai'i has the highest average housing costs in the nation and the highest electricity rates in the nation. HSEO is intentionally including an equity viewpoint in its office, structure, planning, programming and projects. As HSEO works to more equitably advance Hawai'i's clean energy and climate goals, a successful path to a clean-energy and carbon-free economy requires green economic development innovation that creates living-wage jobs while enhancing environmental and social justice. To this end, HSEO and Hawai'i Energy partnered with other state and county agencies, including representatives of the PUC, to establish the Energy Equity Hui focused on creating energy equity and justice programming outcomes.

This is also the second year that three full-time AmeriCorps Volunteers in Service to America (VISTA) service members are contributing to HSEO's efforts to make clean energy and clean transportation more accessible and affordable for all Hawai'i residents. The VISTAs, part of the Climate Ready Hawai'i VISTA-AmeriCorps cohort coordinated by the Hawai'i Climate Change Mitigation and Adaptation Commission, were selected for their ability and commitment to help strengthen HSEO's capacity to serve vulnerable and under-represented communities.

HCR48 is also consistent with federal energy policies. In January, 2022 the United States Department of Energy (USDOE)¹ announced:

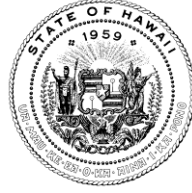
...This year, the Office of Economic Impact and Diversity established an Office of Energy Justice Policy and Analysis, which focuses on creating a policy framework to permanently reduce energy burden and increase access to low-cost clean energy capital in disadvantaged households.

...At DOE, we define **energy justice** as “the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those disproportionately harmed by the energy system” (Initiative for Energy Justice, 2019).

HSEO defers to the appropriate agency for the implementation and fiscal impacts of this measure and looks forward to working with it, and others, in accomplishing the objectives of HCR 48 / HR 43.

Thank you for the opportunity to testify.

¹ United States Department of Energy, Office of Economic Impact and Diversity, January 3, 2022. <https://www.energy.gov/diversity/articles/how-energy-justice-presidential-initiatives-and-executive-orders-shape-equity>



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CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Energy & Environmental Protection
Thursday, March 24, 2022
10:00 AM
Conference Room 325 & Videoconference**

**On the following measure:
HCR48/ HR43, REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER
EFFORTS TO MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-
INCOME CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE
CONSIDERATIONS OF ENERGY EQUITY AND JUSTICE ACROSS ITS WORK**

Chair Lowen and Members of the Committee:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department supports this resolution.

The purpose of this resolution is to request the Public Utilities Commission to consider efforts to mitigate high energy burdens for low- and moderate-income customers and investigate how to integrate considerations of energy equity and justice across its work.

Low-income households spend a larger percentage of their income on home energy costs making them vulnerable to energy insecurity. The COVID pandemic has caused significant economic hardship further increasing energy insecurity for low-income as well as moderate-income households. This has resulted in a large increase in the number of households throughout the state that are now eligible for disconnection

from electricity service. And while many households have received utility bill payment assistance during the COVID pandemic made possible by the federal government through programs such as the Emergency Rental Assistance program, these programs are only temporary and once closed will leave more low-income and moderate-income households vulnerable to disconnection.

The Department recognizes that certain communities, especially those in economically challenged areas, have shouldered the burden of hosting large renewable energy projects. As these projects have come before the Public Utilities Commission for approval, the Department has consistently recommended that more outreach, education and community benefits be provided by the renewable project developers to offset the burden being placed on these communities. The Department has also pushed for early and meaningful engagement so that a community's concerns can be adequately addressed. In addition, many of the programs meant to encourage adoption of new technologies tend to favor those households that are more affluent and have ready access to capital. While these programs and technologies help participating customers, vulnerable households do not have the same ability as other customers to take advantage of new programs and technology and could face even greater electricity bills resulting from these programs. Thus, the Department understands that more work needs to be done to bring energy equity to these communities and customers.

The Department appreciates the legislature's focus on energy equity and believes this is an important step in supporting our communities and families.

Thank you for the opportunity to testify on this resolution.

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

TO THE
HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION

March 24, 2022
10:00 a.m.

Chair Lowen and Members of the Committee:

MEASURE: H.C.R. No. 48 / H.R. 43

TITLE: REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.

POSITION:

The Public Utilities Commission (“Commission”) supports these resolutions and offers the following comments for consideration.

COMMENTS:

The Commission supports these resolutions, which intend to reduce energy burdens on LMI customers and other customer groups.

The Commission recognizes that utility costs are a source of financial strain for many LMI customers and has prioritized cost reductions and affordability in many of its proceedings, including general rate cases, power purchase agreements for low-cost renewable energy projects, and innovative programs such as the demand response portfolio that reduces costs to customers. In addition, in overseeing the efforts of the Public Benefits Fee Administrator (“Hawaii Energy”), the Commission has emphasized the importance of energy efficiency programs and services for hard-to-reach customers, including LMI customers.

The Commission will continue to support and develop reasonable measures that lessen the burden of energy costs on LMI customers and other customer groups, while integrating energy equity and justice throughout its work.

Thank you for the opportunity to testify on this measure.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
ENERGY AND ENVIRONMENTAL PROTECTION**

HCR 48 / HR 43

**REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO
MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME
CUSTOMERS AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF
ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.**

March 24, 2022
10:00 AM, Agenda Item #1
State Capitol, Conference Room 325 & Videoconference

Peter Young
Director, Pricing
Hawaiian Electric Company

Good morning Chair Lowen, Vice Chair Marten, and members of the Committee:

My name is Peter Young and I am testifying on behalf of Hawaiian Electric Company in **support of HCR 48 and HR 43**.

These resolutions ask the Public Utilities Commission to consider efforts to mitigate high energy burdens for low- and moderate-income (LMI) customers and investigate how to integrate considerations of energy equity and justice across its work. Hawaiian Electric agrees that these are issues that must be addressed.

The Company notes that there are regulatory initiatives under PUC review that are already underway that address several of the Resolution(s) issues in whole or in part in other regulatory dockets. The Advanced Rate Design track of DER Policies Docket No. 2019-0323 addresses rate design for all customers and specifically provides for proposed approaches to address consideration of relief for LMI customers.

Hawaiian Electric has filed a request for proposals for Renewable Dispatchable Firm Generation on O'ahu Power which includes a requirement for a community benefits package, which obligates developers to provide a certain amount of annual funding to a to-be-determined non-profit organization which would administer grants for community projects. In addition, the Company has worked to structure payment plan programs for customers who accumulated large electric bills over the COVID pandemic period and to communicate and educate customers on these expanded options. The Company will continue to work with the Commission and with stakeholders to address the issues raised by these Resolutions.

Accordingly, Hawaiian Electric supports HCR 48 / HR 43. Thank you for this opportunity to testify.

HCR-48

Submitted on: 3/17/2022 7:28:22 PM

Testimony for EEP on 3/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Azuma Chrupalyk	Individual	Support	Written Testimony Only

Comments:

For awhile now, I have been trying to introduce a solution that no agency will pick up, due to state laws concerning such an initiative. Certain members of the community say that it is impossible, yet I know that it is not because I have both - paid into this and benefited from it in other states. The electric company in other states has a program called *Care to Share* which is an option to donate \$5 when you pay your electric bill, to a relief fund that benefits low and moderate income families in times of hardship. The application from energy consumers is not a complicated application, but the situation must be accompanied by proof of hardship; such as SNAP, TANF or SSI benefit letters, or a loss of income in the household. The program can be used once/year or less. However, all of the nonprofits and members of HECO that I have spoken to, point to legislature as the reason that such a beneficial program is impossible in Hawai'i. With that being said, I believe that the State of Hawai'i should initiate the program and provide the initial funds to get the program started, to show your citizens that not all politicians are corrupt and that a program like this is not too complicated or illegal in the State of Hawai'i.

For your reference to my testimony, here is the link to Florida Power & Light's Care to Share Program: <https://www.fpl.com/help/donate.html>