

# LATE TESTIMONY

**TESTIMONY OF CARLITO P. CALIBOSO  
CHAIRMAN, PUBLIC UTILITIES COMMISSION  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
FEBRUARY 18, 2009**

**MEASURE: H.B. No. 429 H.D.1**  
**TITLE: Relating to Energy Efficiency.**

Chair Herkes and Members of the Committee:

**DESCRIPTION:**

This bill proposes to add a new section to chapter 269, Hawaii Revised Statutes ("HRS") requiring the Public Utilities Commission ("Commission") to establish energy efficiency portfolio standards ("EPS" or "Standards") that will maximize cost-effective energy efficiency programs and technologies. The EPS standards shall be designed to achieve four thousand three hundred gigawatt hours of electricity use reductions by 2030. The Commission shall also establish interim goals for energy use reduction to be achieved by 2015, 2020, and 2025, and may adjust the 2030 standard by rule or order to maximize cost-effective energy efficiency programs and technologies.

**POSITION:**

The Commission supports the intent of this bill.

**COMMENTS:**

- The Commission supports the intent of this bill, and appreciates the flexibility provided in setting the interim standards, and the ability to adjust the long-term goal if doing so is appropriate.
- The Commission understands the importance of energy efficiency as a low-cost, green resource, and is doing all it can to maximize the implementation of cost-effective measures.
- Setting the policy in statute with a long range goal should assist the Commission and other stakeholders in doing all they can to achieve savings for electricity consumers throughout the state.

Thank you for the opportunity to testify.

**HAWAII RENEWABLE ENERGY ALLIANCE**

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TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII  
RENEWABLE ENERGY ALLIANCE BEFORE THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE

HB 429 HD1, RELATING TO ENERGY EFFICIENCY

February 18, 2009

**LATE TESTIMONY**

Chair Herkes, Vice-Chair Wakai and members of the Committee I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is a nonprofit corporation in Hawaii, established in 1995 by a group of individuals and organizations concerned about the energy future of Hawaii. HREA's mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of HREA's goals is to support appropriate policy changes in state and local government, the Public Utilities Commission ("Commission") and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of HB 429 HD1 is to direct the public utilities commission to establish energy efficiency portfolio standards ("EEPS"). HREA supports the intent of this bill, but **cannot support** the bill as written for the following reasons:

1. Reason for a EEPS? HREA agrees there is a need for a portfolio standard (separate from RPS, and a companion to RPS) that includes energy efficiency technologies and measures. However, we believe the implied definition in this bill that energy efficiency includes renewable substitution (or "off-set") technologies is wrong and therefore not appropriate;
2. Better Yet a DPS. HREA suggests a demand-side portfolio standard ("DPS") as a more appropriate companion to RPS. DPS would include all demand reduction technologies and measures a customer could employ to "off-set a portion up to all" of his electrical load, e.g:
  - a. traditional energy efficiency,
  - b. off-set renewables, and
  - c. net metered renewables; and
3. How to Implement the DPS. HREA recommends, as was stated in the original bill but not in HD1, that the DPS be the responsibility of the Public Benefits Fund Administrator as directed by Commission.

Given that there are different opinions on this bill, HREA recommends that the Committee amend the bill to direct the Commission to consider the following as it investigates the establishment and implementation of an EEPS:

1. what is an appropriate companion to the RPS, e.g., an EEPS or a DPS or an XPS, what demand reduction technologies should be included in the EEPS or DPS or XPS, and how should the technologies and the overall goals be defined; and
2. whether the responsibility for the EEPS or DPS should be assigned solely to the Public Benefits Fund Administrator.

That said, we recommend that the Commission provide recommendations for the design and implementation of the EEPS or DPS or XPS, along with proposed amendments to the RPS law prior to the 2010 session.

Thank you for this opportunity to testify.