HOUSE CONCURRENT RESOLUTION

REQUESTING THE PUBLIC UTILITIES COMMISSION TO DIRECT ELECTRIC UTILITIES TO EXAMINE SPECIFIC RENEWABLE ENERGY STRATEGIES IN THE INTEGRATED RESOURCE PLANNING PROCESS.

WHEREAS, the increased use of renewable energy appears to create a conflict of interest for electric utilities that own fossil fuel-based electricity generation facilities; and

WHEREAS, replacing firm power fossil fuel-based electricity generation facilities owned and operated by investor-owned electric utilities with firm renewable resources developed and operated by independent power producers could impact the overall profitability and viability of those electric utilities; and

WHEREAS, the future success of electric utilities in Hawaii depends on their ability to adapt to and incorporate new technologies, and to integrate, operate, and manage the heavy penetration of renewable energy generation on an evolving electricity grid system; and

WHEREAS, currently, electric utilities act through their own resource planning processes to determine the timing and type of new electricity generation capacity introduced to the electric grid. Consequently the electric utilities' resource planning processes have become a de facto state energy planning process as well as a key part of the electric utilities' efforts to meet the mandates of Hawaii's renewable portfolio standards law under part V of chapter 269, Hawaii Revised Statutes (HRS); and

WHEREAS, the State's focus on renewable electricity generation must be based on technically sound, commercially available, and cost-effective resources; and

WHEREAS, the State's focus on renewable electricity generation must recognize each island's unique endowment of

resources and potential contribution to Hawaii's clean energy future; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2012, the Senate concurring, that the Public Utilities Commission direct that the integrated resource plans of electric utilities examine a strategy that replaces existing fossil fuelbased electricity generation plants with renewable energy resources; and

BE IT FURTHER RESOLVED that the Public Utilities Commission direct that the integrated resource plans of investor-owned electric utilities examine a strategy that develops excess firm or intermittent electricity to be transmitted between islands, including plans to develop undersea electricity transmission cables to support transmission of electricity between the islands; and

BE IT FURTHER RESOLVED that the Public Utilities Commission direct that the integrated resource plans of investor-owned electric utilities consider the following resources:

(1) Electricity generated using geothermal steam on identified geothermal resources to replace or mitigate the use of fossil fuel-based electricity generation facilities;

(2) Hydrogen and other available energy storage technologies used as a source of stored energy to stabilize the grid when necessary; and

(3) Electricity generated by waste-to-energy facilities to serve as an untapped fuel source; and

BE IT FURTHER RESOLVED that the Public Utilities Commission is requested to examine:

(1) Its avoided cost calculation methodology;

(2) Ways to maximize the use of distributed generation, including an examination of the appropriateness of current circuit penetration threshold levels for the interconnection of distributed generation resources;

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(3) The increased use of energy efficiency programs and technology to meet the goals of the energy-efficiency portfolio standards under section 269-96, HRS;

(4) Ways to minimize the curtailment of renewable energy resources; and

(5) Ways to modernize the State's electrical grids; and

BE IT FURTHER RESOLVED that the Public Utilities Commission is requested to include in its annual reports for 2013 and 2014, prepared pursuant to section 269-5, HRS, actions taken by the Commission, as well as findings, recommendations, and any proposed legislation necessary to further the purposes of this Concurrent Resolution; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor and the Chairperson of the Public Utilities Commission.